



TIDEWATER
Midstream and Infrastructure Ltd.

ANNUAL INFORMATION FORM
FOR THE YEAR ENDED DECEMBER 31, 2025

March 25, 2026

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SCHEDULE

SCHEDULE A – Audit Committee Charter

GENERAL MATTERS

The information in this annual information form (“AIF”) is given as at and for the financial year ended December 31, 2025, unless otherwise indicated. All dollar amounts set forth in this AIF are in Canadian dollars, unless otherwise indicated.

Glossary and Abbreviations

In this AIF, unless otherwise indicated or the context otherwise requires, the following terms and abbreviations shall have the indicated meanings. Words importing the singular include the plural and vice versa and words importing a gender include all genders. A reference to an agreement means the agreement as it may be amended, supplemented or restated from time to time:

“**Annual Financial Statements**” means the audited consolidated financial statements of the Corporation for the year ended December 31, 2025;

“**bbl**” or “**bbls**” means barrels;

“**bbls/d**” means barrels per day;

“**BC**” means the province of British Columbia, Canada;

“**BC LCFS**” means, collectively, prior to January 1, 2024, BC’s *Greenhouse Gas Reduction (Renewable & Low Carbon Fuel Requirements) Act* and the *Renewable & Low Carbon Fuel Requirements Regulation*, introduced to reduce the Carbon Intensity of fuels used in the province, and on and after January 1, 2024, BC’s *Low Carbon Fuels Act*, the *Low Carbon Fuels (General) Regulation* and the *Low Carbon Fuels (Technical) Regulation*;

“**BC LCFS Credits**” means the credits awarded to BC Low Carbon Fuel Suppliers by either: (i) supplying a fuel with a Carbon Intensity below the prescribed Carbon Intensity target; or (ii) taking actions that would have a reasonable possibility of reducing the Carbon Intensity of a fuel or increasing the use of a fuel with a Carbon Intensity below the prescribed Carbon Intensity, which credits may be transferred upon validation;

“**BC Low Carbon Fuel Supplier**” means, prior to January 1, 2024, a “part 3 fuel supplier” under the BC LCFS, and on and after January 1, 2024, a person who markets fuel in BC under Part 2 of the *Low Carbon Fuels Act*;

“**Board**” means the board of directors of the Corporation;

“**BRC**” means the Brazeau River Complex located in the West Pembina region in central Alberta, wherein the Corporation has a 100% interest, and which consists of a 185 MMcf/d deep-cut gas processing facility with approximately 10,000 bbls/d of liquid fractionation capability;

“**California LCFS**” means CARB’s Low Carbon Fuel Standard regulation, established pursuant to the California Assembly Bill No. 32 (Chapter 488) and the Executive Order S-01-07 by the Governor of the State of California, as amended, re-adopted and further amended from time to time, designed to decrease the Carbon Intensity of California’s transportation fuel pool and provide an increasing range of low-carbon and renewable alternatives to reduce petroleum dependency and achieve air quality benefits;

“**California LCFS Credits**” means tradeable compliance credits created under the California LCFS by (i) providing transportation fuel with a Carbon Intensity below the prescribed Carbon Intensity target, (ii) developing approved projects which include actions to reduce GHG emissions in the petroleum supply chain, including carbon capture and sequestration using direct air capture, or (iii) deploying zero emission vehicle infrastructure, and utilized by transportation fuel providers to meet or offset their annual compliance obligations in California;

“**CARB**” means the California Air Resources Board;

“**Carbon Intensity**” means carbon intensity as specified and calculated under each specific government methodology, where certain calculation differences may exist from one jurisdiction to another;

“**CO₂e**” means carbon dioxide equivalent;

“**Common Shares**” means the common shares in the capital of the Corporation;

“**condensate**” means a mixture of hydrocarbons consisting primarily of pentanes and heavier liquids extracted from natural gas;

“**crude oil**” means a naturally occurring mixture of liquid hydrocarbons which occurs in many varieties, or grades, which are often categorized by properties such as density and sulphur content;

“**D4 RINs**” means tradeable compliance credits created under the RFS by producing biomass-based diesel from qualifying renewable biomass, including blending such biomass-based diesel into petroleum-based transportation fuels, and meeting a 50% lifecycle GHG reduction, and utilized by obligated parties to meet annual renewable volume obligation targets;

“**diesel**” means combustible petroleum distillate used as a fuel for diesel engines;

“**Dimsdale Natural Gas Storage Facility**” means the natural gas storage facility in the Pipestone area near Grande Prairie, Alberta, as sold to AltaGas (as defined herein) on December 22, 2023;

“**EPA**” means the U.S. Environmental Protection Agency;

“**fee-based processing**” means a processing agreement that provides for a fee per unit of production sold or service provided and is generally not subject to commodity price risk;

“**feedstock**” means a raw material required for an industrial process such as crude oil refining;

“**fractionation**” means the process of using temperature and pressure to separate a mixture of NGLs with differing boiling points into individual products such as ethane, propane or butane;

“**gasoline**” means a volatile, flammable liquid mixture of hydrocarbon obtained from crude oil;

“**HDRD Complex**” means Tidewater Renewables’ 3,000 bbl/d renewable diesel facility located adjacent to the PGR;

“**Mbbl/d**” means thousand barrels per day;

“**MMbbl**” means million barrels;

“**MMcf**” means million cubic feet;

“**MMcf/d**” means million cubic feet per day;

“**NGL**” or “**NGLs**” means natural gas liquids, consisting of any one of ethane, propane, butane or condensate or a combination thereof;

“**PGR**” means the 12.0 Mbbl/d light oil refinery located in Prince George, British Columbia;

“**Pipestone Assets**” means the Pipestone Gas Plant, Pipestone Phase II and Dimsdale Natural Gas Storage Facility sold to AltaGas in the Pipestone Transaction (as defined herein) on December 22, 2023;

“**Pipestone Gas Plant**” means the 110 MMcf/d sour, deep-cut Montney gas plant with acid gas injection and gathering pipeline network, in the Pipestone area near Grande Prairie, Alberta, as sold to AltaGas on December 22, 2023;

“**Pipestone Phase II**” means the Pipestone Gas Plant expansion project expected to add 100 MMcf/day of sour natural gas processing to the Pipestone Gas Plant, as sold to AltaGas on December 22, 2023;

“**Preferred Shares**” means the preferred shares in the capital of the Corporation;

“**Ram River Gas Plant**” means the 95% operated working interest in the rail-connected 600 MMcf/d processing facility located in the Strachan region in west central Alberta;

“**refined products**” includes gasoline and low sulfur diesel from the PGR;

“**RFS**” means the EPA’s Renewable Fuel Standard program under the Clean Air Act, 42 U.S.C. §7401 et seq. (1970), created under the Energy Policy Act, 42 USC §13201 et seq. (2005) and further expanded by the Energy Independence and Security Act, Public Law 110-140 (2007), requiring certain volumes of renewable fuel to be used to replace or reduce the quantity of fossil fuel in transportation fuel, home heating oil, or jet fuel;

“**Senior Credit Facilities**” means together the revolving credit facilities of Tidewater and Tidewater Renewables with each being a “**Senior Credit Facility**”;

“**Shareholders**” means holders of Common Shares;

“**shrinkage gas**” means the natural gas supplied by an NGL extractor to replace energy shrinkage for the benefit of the shipper(s) where NGL was removed from shipper(s) gas;

“**Sylvan Lake Gas Processing Facility**” means the gas plant and associated gathering infrastructure near Sylvan Lake, Alberta, as sold to Parallax (as defined herein) on October 31, 2025;

“**take-or-pay**” means a form of contract in which the payor is obligated to pay regardless of whether or not the payor uses the services, volumes or capacity available under the contract;

“**terminalling**” means the receipt of NGLs and petroleum products for storage into storage tanks and other related equipment, including pipelines, where the NGLs will be commingled with other products of similar quality; the storage of NGLs; and the delivery of NGLs as directed by a distributor into a truck, vessel or pipeline;

“**throughput**” means with respect to a gas plant, inlet volumes processed (including any off-load or reprocessed volumes); with respect to a pipeline, the estimated gas or liquid volume transported therein; and with respect to NGL processing facilities, the volume of inlet NGLs processed;

“**Tidewater**” or the “**Corporation**” means Tidewater Midstream and Infrastructure Ltd.;

“**Tidewater Renewables**” means Tidewater Renewables Ltd., a publicly traded subsidiary of Tidewater in which it holds an approximate 66% interest (the remaining 34% is publicly owned). See “*Corporate Structure*”;

“**Tidewater Renewables Common Shares**” means the common shares in the capital of Tidewater Renewables;

“**Tidewater Renewables IPO**” means the initial public offering by Tidewater Renewables of an aggregate of 10,735,000 Tidewater Renewables Common Shares at a price of \$15.00 per Tidewater Renewables Common Share for gross proceeds of \$161,025,000 and concurrent acquisition of certain pre-existing operating assets and growth projects by Tidewater Renewables from Tidewater; and

“**U.S.**” means the United States of America, its territories and possessions, any stated of the United States and the District of Columbia.

Forward-Looking Statements

Certain statements contained in this AIF constitute forward-looking statements and forward-looking information (collectively referred to herein as “**forward-looking statements**”) within the meaning of applicable Canadian securities laws. These statements relate to future events or the future performance of Tidewater. All statements other than statements of historical fact may be forward-looking statements. The use of any of the words “seek”, “anticipate”, “budget”, “plan”, “continue”, “estimate”, “expect”, “forecast”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions are intended to identify forward-looking statements. Forward-looking statements are often but not always identified by such words. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ

materially from those anticipated in such forward-looking statements. The Corporation believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this AIF should not be unduly relied upon. These forward-looking statements speak only as of the date of this AIF.

In particular, this AIF contains forward-looking statements pertaining to the following:

- Tidewater's planned strategy for achieving its business objective;
- the development of the SAF Facility, including the funding of optimization work, the expected timing of a final investment decision and the Corporation's commercialization strategy with respect thereof;
- management's intent to restart the Ram River Gas Plant once commodity prices strengthen and gas flow from producers restarts;
- requirements for Tidewater and Tidewater Renewables to maintain certain financial covenants under their respective credit facilities;
- expected cost improvements and feedstock procurement optimization from the Western Pipeline Transaction;
- Tidewater Renewables' qualification for the BPI and the expected effect of the BPI on the HDRD Complex's economics and Tidewater Renewables' liquidity position and profitability during the incentive window;
- the expected receipt of BC LCFS Credits under the Hydrotreater Initiative Agreement and FCC Initiative Agreement, including the expected use thereof;
- the processing of natural gas at the BRC pursuant to the Handling and Supply Agreements, including the amount of natural gas to be processed and the receipt of marketing rights to the ethane, propane and butane derived therefrom;
- Tidewater's acquisition and divestiture strategy, the criteria to be considered in connection therewith and the benefits to be derived therefrom;
- Tidewater's pursuit of end-market development opportunities for Canadian crude oil, natural gas and NGLs in an effort to access better pricing for producers' products;
- the provision of certain management, administrative and operational services by Tidewater to Tidewater Renewables through the Shared Services Agreement;
- the seasonality of the Corporation's business;
- the Corporation's engagement with prospective purchasers of diesel and gasoline volumes from the PGR to sell such volumes under offtake agreements;
- the Corporation's intent to sell diesel and gasoline volumes not sold under offtake agreements to users in Western Canada on the spot diesel and gasoline markets;
- the amount of diesel and gasoline volumes subject to hedges;
- the sale of BC LCFS Credits and CFR Credits;
- negotiations with Unifor Local 431 and Unifor Local 1997 for new collective bargaining agreements, including the timing thereof;
- the expected effect of the Amendments on Tidewater and Tidewater Renewables' business, the BC LCFS Credit market and the broader Canadian renewable fuels industry;
- the expected effect of higher RVOs on the demand for D4 RINs, the biofuels sector and the pricing for Tidewater Renewables' low-carbon product offerings;
- the expected effect of the increasing stringency of the California LCFS program on California LCFS Credit pricing and the value of environmental attributes embedded in the pricing mechanics of offtake agreements for Tidewater Renewables' low-carbon product offerings;
- management's views of the BC LCFS Credit, CFR Credit, D4 RIN and California LCFS Credit markets;

- the Government of Canada's intention to propose targeted amendments to the CFR and the aim of such amendments;
- the Corporation's responsibility for the costs associated with decommissioning, abandonment and reclamation of its assets at the end of their economic life, including the variability of such costs;
- the review, management and effectiveness of Tidewater's health, safety, environment and integrity programs;
- the Corporation's treatment under regulatory regimes, tax and other laws, and the effect thereof on the Corporation's business;
- the development of an offset project with the DFO at the Pine River in BC;
- potential conflicts of interest to which some of the Corporation's directors and officers will be subject to in connection with the operations of the Corporation;
- supply and demand for the Corporation's products and services, including BC LCFS Credits and CFR Credits;
- the effect of BC LCFS Credit, CFR Credit, D4 RIN and California LCFS Credit prices on the Corporation's business;
- competitive conditions and Tidewater's ability to position itself competitively in the industry;
- the effect of producer's operations in the area serviced by Tidewater on the Corporation's business;
- the effect of third party pipeline system operations on the Corporation's business;
- the nature and status of contractual arrangements with third parties in respect of Tidewater's business;
- scheduled maintenance and the timing thereof;
- the successful integration of acquisitions and projects into Tidewater's existing business;
- the impact of inflation, and government's corresponding measures to deal with inflation, on the Corporation's business, financial position, results of operations, cash flows and/or ability to pay outstanding indebtedness;
- the joint review of the USMCA and the effect of any changes to, or failure by one or more parties to comply with, the USMCA on the Corporation;
- the Corporation's ability to raise capital;
- the sufficiency of the Corporation's existing credit facilities for the Corporation's immediate requirements;
- operating risks and related insurance coverage;
- the Corporation's approach to risk management;
- expected project and operational schedules, regulatory timelines, completion/in-service dates, capital expenditures and capacities associated with capital projects;
- budgets, including future capital, operating or other expenditures and projected costs;
- the Corporation's expectations regarding future dividends;
- estimated utilization rates and throughputs;
- climate change and climate change related impacts on Tidewater's operations;
- the long-term impact of geopolitical events and trade disruptions on the Corporation's business, financial position, results of operations and/or cash flows; and
- expected levels of operating costs, general administrative costs, costs of services and other costs, expenses and obligations.

Although the forward-looking statements contained in this AIF are based upon assumptions which management of the Corporation believes to be reasonable, the Corporation cannot assure investors that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this AIF, the Corporation has made assumptions regarding, but not limited to:

- general economic and industry trends;
- future natural gas, crude oil, NGL, renewable diesel, BC LCFS Credit, CFR Credit, D4 RIN and California LCFS Credit prices;
- Tidewater's ability to obtain and retain qualified staff and equipment in a timely and cost-effective manner;
- the ability of Tidewater to successfully negotiate new collective bargaining agreements with each of Unifor Local 431 and Unifor Local 1997;
- the impact of increasing competition;
- operating costs;
- processing and marketing margins;
- future capital expenditures to be made by Tidewater;
- the ability to obtain additional debt and/or equity financing on satisfactory terms;
- availability of capital to fund future capital requirements relating to existing assets and projects;
- the anticipated effect of the Amendments on emissions credit markets and the renewable fuel industry;
- the ability of Tidewater to successfully market its products;
- Tidewater's future debt levels and the ability of Tidewater to repay its debt when due;
- foreign currency, exchange and interest rates;
- anticipated timelines and budgets being met in respect of Tidewater's projects and operations;
- that any third party projects relating to Tidewater's growth projects will be sanctioned and completed as expected;
- that any required commercial agreements can be negotiated and completed;
- the ability of Tidewater to successfully implement strategic initiatives and that such initiatives will yield the expected benefits;
- the ability of Tidewater to generate sufficient cash flow from operations to meet its current and future obligations;
- distributable cash flow and net cash provided by operating activities consistent with expectations;
- future operating results and the success of Tidewater's operations;
- that there are no unforeseen material costs relating to the facilities which are not recoverable from customers;
- oil and gas industry exploration and development activity levels and the geographic region of such activity;
- the ability of Tidewater to obtain equipment, services, supplies and personnel in a timely manner and at an acceptable cost to carry out its evaluations and activities; and
- the timely receipt of required regulatory approvals.

The Corporation's actual results could differ materially from those anticipated in the forward-looking statements as a result of the risk factors set forth herein, including but not limited to:

- general economic, political, market and business conditions, including armed hostilities, acts of war, terrorism, cyberattacks, diplomatic developments, fluctuations in interest rates, foreign exchange rates and stock market volatility;
- activities of producers, competitors, customers and others and overall industry activity levels;
- operational matters, including potential hazards inherent in Tidewater's operations and the effectiveness of health, safety, environmental and integrity programs;

- fluctuations in commodity prices, emissions credit prices, inventory levels and supply/demand trends;
- timely receipt of third party, regulatory, environmental and governmental approvals and consents;
- the inflationary economic environment;
- losses of key customers;
- actions by governmental authorities, including changes in government regulation, tariffs and taxation;
- changes in operating and capital costs, including fluctuations in input costs;
- changes in environmental and other laws and regulations or the interpretations of such laws or regulations;
- cost of compliance with applicable regulatory regimes, including, but not limited to, environmental laws and regulations, including greenhouse gas (“GHG”) emissions;
- Indigenous and landowner consultation requirements;
- activities of other facility owners, including access to third party facilities;
- the ability to secure land and water, including obtaining and maintaining land access rights;
- competition for, among other things, business, capital, acquisition opportunities, requests for proposals, materials, equipment, labour and skilled personnel;
- legal risks and environmental risks and hazards, including risks inherent in the transportation of NGLs and refining of light crude oils which may create liabilities to Tidewater in excess of Tidewater’s insurance coverage, if any;
- fluctuations in the supply and demand for the Corporation’s inputs and products;
- failure of third parties’ reviews, reports and projections to be accurate, including those relating to asset acquisitions;
- risks arising from co-ownership of facilities;
- risks associated with others constructing and contract operating Tidewater’s facilities;
- construction and engineering variables associated with capital projects, including the availability of contractors, materials, engineering and construction services, accuracy of estimates and schedules, and the performance of contractors;
- the availability of capital on acceptable terms;
- changes in the credit-worthiness of counterparties;
- viability of counterparties and take-or-pay arrangements;
- adverse claims made in respect of Tidewater’s properties or assets;
- risks and liabilities associated with the transportation of dangerous goods;
- effects of weather conditions and catastrophic events, including those caused by climate change (such severe weather or catastrophic events including, but not limited to, fires, floods, lightning, earthquakes, extreme cold weather, storms or explosions);
- seasonal weather patterns;
- reputational risks;
- reliance on key personnel;
- technology and security risks, including cybersecurity;
- potential losses which would stem from any disruptions in production, including work stoppages or other labour difficulties, or disruptions in the transportation network on which Tidewater is reliant;
- technical and processing problems, including the availability of equipment and access to properties;

- changes in gas composition and the corresponding effects on the Corporation’s facilities and operations;
- failure to realize the anticipated benefits of acquisitions and dispositions;
- risks of health epidemics, pandemics, public health emergencies, quarantines and similar outbreaks, including COVID-19, which may have sustained material adverse effects on the Corporation’s business, financial position, results of operations and/or cash flows;
- the ability of Tidewater to successfully implement strategic initiatives and whether such initiatives yield the expected benefits; and
- other factors, many of which are beyond the control of the Corporation, some of which are discussed under “*Risk Factors*” in this AIF.

Further, because there is interconnectivity between many of the risks Tidewater faces, it is possible that different constellations of risk could materialize which could result in unanticipated outcomes or consequences.

Forward-looking statements and other information contained herein concerning the NGL midstream infrastructure, refining of light crude oils, renewable fuels and logistics industry in Canada and the Corporation’s general expectations concerning this industry are based on estimates prepared by management of the Corporation using data from publicly available industry sources as well as from resource reports, market research and industry analysis and on assumptions based on data and knowledge of this industry which the Corporation believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Corporation is not aware of any material misstatements regarding any industry data presented herein, the NGL midstream infrastructure, refining of light crude oils, renewable fuels and logistics industry involves numerous risks and uncertainties and is subject to change based on various factors.

The Corporation’s actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Corporation will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive, and they should not unduly rely on the forward-looking statements included in this AIF. These forward-looking statements are made as of the date of this AIF and the Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results or otherwise, unless required by applicable law. The forward-looking statements contained in this AIF are expressly qualified in their entirety by this cautionary statement.

Further information about the factors affecting forward-looking statements and management’s assumptions and analysis thereof, is available in filings made by the Corporation with Canadian provincial securities commissions available on SEDAR+.

Non-GAAP Measures

Certain supplementary measures in this AIF do not have any standardized meaning as prescribed under International Financial Reporting Standards (“**IFRS**”), which are also generally accepted accounting principles (“**GAAP**”) for publicly accountable entities in Canada, and, therefore, are considered non-GAAP measures. Since non-GAAP measures are unlikely to be comparable to similar measures presented by other companies, securities regulations require that non-GAAP measures be clearly defined, qualified and reconciled to their nearest GAAP measure. Except as otherwise indicated, these non-GAAP measures are calculated and disclosed by the Corporation on a consistent basis from period to period. Specific adjusting items may only be relevant in certain periods.

The intent of non-GAAP measures is to provide additional useful information with respect to Tidewater’s operational and financial performance to investors and analysts though the measures do not have any standardized meaning under IFRS. The measures should not, therefore, be considered in isolation or used in substitute for measures of performance prepared in accordance with IFRS. Other issuers may calculate these non-GAAP measures differently.

In particular, in this AIF, the terms “distributable cash flow”, “growth capital” and “maintenance capital” are used to describe certain financial information of Tidewater. Readers should be cautioned that distributable cash flow is not defined by GAAP and is included in this AIF to describe certain financial information of Tidewater and should not be construed as alternatives to revenue, earnings, gross profit, or other measures of financial results determined in accordance with

GAAP as indicators of Tidewater's performance.

“distributable cash flow” is a non-GAAP financial measure and is calculated as net cash provided by (used in) operating activities before changes in non-cash working capital plus cash distributions from investments, transaction costs, non-recurring transactions, and less other expenditures that use cash from operations. Also deducted is the distributable cash flow of Tidewater Renewables that is attributed to non-controlling interest shareholders. Management of the Corporation believes distributable cash flow is a useful metric for investors when assessing the amount of cash flow generated from normal operations and to evaluate the adequacy of internally generated cash flow to fund dividends.

Changes in non-cash working capital are excluded from the determination of distributable cash flow because they are primarily the result of seasonal fluctuations or other temporary changes and are generally funded with short term debt or cash flows from operating activities. Transaction costs are added back as they vary significantly based on the Corporation's acquisition and divestiture activity. Non-recurring transactions that do not reflect Tidewater's ongoing operations are also excluded. Lease payments, interest and financing charges, and maintenance capital expenditures, including turnarounds, are deducted as they are ongoing recurring expenditures which are funded from operating cash flows.

“growth capital” is a supplementary financial measure generally defined as expenditures which are recoverable or incrementally increase cash flow or earnings potential of assets, expand the capacity of current operations or significantly extend the life of existing assets. This measure is used by the investment community to assess the extent of discretionary capital spending.

“maintenance capital” is a supplementary financial measure generally defined as expenditures which support and/or maintain the current capacity, cash flow or earnings potential of existing assets without the associated benefits characteristic of growth capital expenditures. These expenditures include major inspections and overhaul costs that are required on a periodic basis. This measure is used by the investment community to assess the extent of non-discretionary capital spending. Maintenance capital is included in the calculation of distributable cash flow.

The meanings and compositions of, specific rationales for, and information associated with (including a reconciliation to the most directly comparable measure calculated in accordance with GAAP) each of the non-GAAP measures are incorporated by reference and are set out in the *“Non-GAAP Financial Measures”* section of the Corporation's management's discussion and analysis for the year ended December 31, 2025 (**“MD&A”**) available under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

Use of Renewable Fuels Industry Specific Terminology

This AIF contains a number of references to industry specific terminology that is commonly used in the renewable energy production and infrastructure businesses and is also used by the Corporation in this AIF. In particular, and without limitation to the terms described or defined elsewhere in this AIF, this AIF contains references to renewable energy and renewable fuels.

Renewable energy is energy derived from natural processes that can be replenished at low environmental cost. There are various forms of renewable energy including solar, wind, geothermal, hydropower and ocean resources, solid biomass, biogas and liquid biofuels/renewable fuels.

Renewable diesel is a low GHG transportation fuel with a lower full lifecycle Carbon Intensity than petroleum diesel. While the composition of renewable diesel is different from petroleum diesel, it is a “drop-in” replacement for petroleum diesel, meets the specifications for petroleum diesel and is suitable for use in diesel engines. It is produced from biomass and organic sources including various forms of lipids-rich feedstocks such as vegetable oils (for example, canola, sunflower, soybean and corn), used cooking oil, fish oil and animal fats. Renewable diesel is produced using a well-established process known as hydrotreating (a process also used in petroleum refineries). This process introduces hydrogen to the feedstock under elevated temperatures and pressures in the presence of a catalyst to remove oxygen and develop suitable molecular chains.

Renewable gasoline is a low Carbon Intensity transportation fuel that is a drop-in replacement for petroleum gasoline. It is produced through the co-processing of renewable feedstocks such as vegetable oils, animal fats or used cooking oils in process units of a conventional refinery.

Sustainable aviation fuel (“SAF”) is an alternative transportation fuel derived from non-petroleum lipid-based feedstocks, such as various vegetable oils, used cooking oil and tallow, is used as a direct substitute for jet fuel and is compatible for combustion in aircraft engines. There are various technological processes available to create SAF, including Fischer-Tropsch, Synthesized Iso-Paraffins, Alcohol to Jet, Catalytic Hydrothermolysis, Hydrotreated Esters and Fatty Acids (“HEFA”), and Co-Processing. HEFA is the most widely commercialized technological process to create SAF and accounts for the majority of SAF production worldwide. HEFA uses hydrogen to remove oxygen from lipid molecules and subsequently isomerizes the molecules to create SAF. As a nascent industry, at present, SAF must be blended with conventional jet fuel due to the aromatics in traditional jet fuel and compatibility for aircraft seals, as well as other properties.

There is no single standard system that applies across companies for compiling and calculating the quantity of GHG emissions attributable to the Corporation’s operations. Accordingly, such information may not be comparable with similar information reported by other companies. The Corporation may change its policies for calculating GHG emissions in the future without prior notice.

Market, Independent Third-Party and Industry Data

Certain market, independent third-party and industry data contained in this AIF is based upon information from government or other independent industry publications and reports or based on estimates derived from such publications and reports. Government and industry publications and reports generally indicate that they have obtained their information from sources believed to be reliable, but the Corporation has not conducted its own independent verification of such information. This AIF also includes certain data, including production and other operational results, derived from public filings made by independent third parties. While the Corporation believes this data to be reliable, market and industry data is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. The Corporation has not independently verified any of the data from independent third-party sources referred to in this AIF or ascertained the underlying assumptions relied upon by such sources.

CORPORATE STRUCTURE

The Corporation was incorporated under the *Business Corporations Act* (Alberta) (“ABCA”) on February 4, 2015. The Corporation’s head office is located at Suite 900, 222 – 3rd Avenue S.W., Calgary, Alberta, T2P 0B4 and its registered office is located at 4600, 525 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1. The Corporation is a reporting issuer in each of the provinces of Canada. The Common Shares are listed and posted for trading on the Toronto Stock Exchange (“TSX”) under the trading symbol “TWM”.

The following chart sets forth the Corporation’s relationship with its material subsidiary and the percentage of Tidewater Renewables Common Shares owned by the Corporation. The jurisdiction of incorporation for Tidewater Renewables is Alberta.



Note:

- (1) The remaining 34% interest in Tidewater Renewables is publicly owned.

GENERAL DEVELOPMENT OF THE BUSINESS

Overview

The Corporation is a diversified downstream, midstream and infrastructure company engaged in the North American natural gas, NGL, crude oil, refined product, and renewable space. Its strategy is to profitably grow and create shareholder value through the acquisition, divestiture, development and operation of conventional and renewable energy infrastructure. Tidewater plans to achieve its business objective by providing customers with a full service, vertically integrated value chain, including midstream and downstream infrastructure, and various renewable initiatives. To complement its infrastructure asset base, the Corporation also markets crude, refined product, natural gas, NGLs and renewable products and services to customers across North America. See “*Business of Tidewater*” for a more detailed description of the business and the business objective of the Corporation.

Three Year History

Year Ended December 31, 2023

On February 15, 2023, Tidewater’s Senior Credit Facility was amended to extend the maturity date to February 10, 2026 and the requirement under the Senior Credit Facility to maintain minimum availability of not less than \$50 million was waived for the period between April 1, 2023 and March 31, 2024. On September 29, 2023, Tidewater’s Senior Credit Facility was amended to increase the deconsolidated first lien senior debt to adjusted EBITDA financial covenant from 3.5 to 4.0 for September 30, 2023 and on October 17, 2023, the adjusted covenant was extended to December 31, 2023. After December 31, 2023, the covenant reverted to 3.5. On October 17, 2023, Tidewater’s Senior Credit Facility was further amended to increase the capacity by \$50 million to \$600 million, with \$30 million of the increase being reserved for the Corporation’s acquisition of the remaining interest in the Dimsdale Natural Gas Storage Facility to facilitate the Pipestone Transaction (as defined below). Tidewater’s Senior Credit Facility was amended and restated on September 12, 2024 and further amended on March 26, 2025, September 30, 2025 and March 23, 2026, see “*Other Information Relating to Tidewater’s Business - Borrowings – Tidewater Midstream Senior Credit Facility.*”

On April 13, 2023, Tidewater Renewables announced that it had obtained additional capital emissions credits related to the HDRD Complex, which were sold to third parties for proceeds of \$43.2 million.

On May 10, 2023, Tidewater Renewables increased its borrowing capacity by a total of \$50 million (\$25 million under the Tidewater Renewables Senior Credit Facility and \$25 million under the Second Lien Credit Facility) to complete and commission the HDRD Complex. The HDRD Complex produced its first renewable diesel on October 22, 2023 and progressed into commercial operations on November 7, 2023. As of December 31, 2023, the HDRD Complex was producing 1,800 bbl/d representing 60% of nameplate design capacity. The HDRD Complex made Tidewater Renewables the first standalone producer of renewable diesel in Canada.

During the second quarter of 2023, Tidewater successfully completed the scheduled four-year maintenance turnaround at the PGR.

On December 22, 2023, Tidewater announced the closing of the sale of the Pipestone Assets and certain associated subsidiaries to AltaGas Ltd. (“**AltaGas**”) for aggregate total consideration of approximately \$665 million (the “**Pipestone Transaction**”). The aggregate total consideration consisted of cash proceeds of \$325 million and approximately 12.47 million common shares of AltaGas. Concurrently with the closing of the Pipestone Transaction, the Corporation amended and restated its Senior Credit Facility with a syndicate of domestic and global banks. The amended Senior Credit Facility consists of a revolving facility for \$150 million and a non-revolving facility for \$225 million, totaling an aggregate amount of \$375 million. Tidewater’s Senior Credit Facility was amended and restated on September 12, 2024 and further amended on March 26, 2025, September 30, 2025 and March 23, 2026, see “*Other Information Relating to Tidewater’s Business - Borrowings – Tidewater Midstream Senior Credit Facility.*”

Year Ended December 31, 2024

On January 9, 2024, Tidewater announced that it had sold the approximately 12.47 million AltaGas common shares received as part of the Pipestone Transaction for proceeds of approximately \$340 million. The proceeds were primarily allocated to debt repayment.

On January 22, 2024, Tidewater and Tidewater Renewables jointly announced the appointment of Jeremy Baines as Chief Executive Officer and director of both companies, and Tidewater announced the appointment of Aaron Ames as interim Chief Financial Officer. On March 8, 2024, Tidewater announced the appointment of David Smith as an independent director.

In the first quarter of 2024, Tidewater and Tidewater Renewables entered into a joint development agreement in relation to a new 6,500 bbl/day renewable diesel and sustainable aviation fuel project in British Columbia (the “**SAF Facility**”), whereby both parties have the right to participate in up to 50% of the project upon a final investment decision being made. The SAF Facility is expected to leverage many of the same processes used in operating the HDRD Complex. Front-end engineering design (“**FEED**”) work on the SAF Facility took place throughout 2024 and was completed during the second quarter of 2025. The SAF Facility FEED was fully funded through the sale of capital emissions credits issued under an executed initiative agreement with the Government of BC. To manage price exposure on the capital emissions credits generated by the SAF Facility, Tidewater Renewables secured a firm purchase commitment for the capital emissions credits being received under the initiative agreement. On September 3, 2025, the initiative agreement with the Government of BC was amended, see “*General Development of the Business – Three Year History – Year Ended December 31, 2025*”.

In the second quarter of 2024, Tidewater successfully completed a three-week turnaround at the BRC.

On June 4, 2024, Tidewater closed a public offering of \$100 million principal amount of convertible subordinated debentures (the “**2024 Debentures**”) through a syndicate of underwriters, including \$13 million principal amount of 2024 Debentures issued pursuant to the exercise in full of the over-allotment option granted to the syndicate of underwriters (the “**2024 Offering**”), see “*Other Information Relating to Tidewater’s Business - Borrowings – Debentures.*” The proceeds from the 2024 Offering were used to redeem \$75 million principal amount of its 5.50% convertible unsecured subordinated debentures due September 30, 2024 (the “**2019 Debentures**”).

On September 12, 2024, Tidewater closed a related party transaction with Tidewater Renewables (the “**Tidewater Renewables Transaction**”) whereby Tidewater acquired from Tidewater Renewables various assets that were transferred to Tidewater Renewables during the Tidewater Renewables IPO, including canola co-processing infrastructure, fluid catalytic cracking co-processing infrastructure, working interests in various other PGR units, and a natural gas storage facility located at the BRC (the “**Acquired Assets**”) for cash consideration of \$122 million, plus the assumption of certain liabilities related to the Acquired Assets. In addition, as part of the consideration for the Acquired Assets, Tidewater assigned the right to receive certain BC LCFS Credits to Tidewater Renewables with a minimum value of \$7.7 million.

In connection with the Tidewater Renewables Transaction, on September 12, 2024, Tidewater and Tidewater Renewables entered into an agreement for the purchase and sale of credits (the “**BC LCFS Credit Purchase Agreement**”) pursuant to which Tidewater purchased BC LCFS Credits from Tidewater Renewables for an aggregate purchase price of approximately \$7.2 million and agreed to purchase additional BC LCFS Credits (subject to certain monthly average limits) from Tidewater Renewables until March 31, 2025 for cash proceeds of approximately \$77.5 million (assuming the HDRD Complex continued to operate at over 90% utilization). A portion of such BC LCFS Credits purchased were subject to the exercise of a put option in favour of Tidewater Renewables and/or a call option in favour of the Corporation, with cash proceeds paid monthly by the Corporation to Tidewater Renewables as the BC LCFS Credits were purchased from Tidewater Renewables. Tidewater exercised its call option pursuant to the BC LCFS Credit Purchase Agreement and purchased BC LCFS Credits from Tidewater Renewables under the BC LCFS Credit Purchase Agreement until March 31, 2025. From September 12, 2024 to March 31, 2025, Tidewater purchased approximately \$70.1 million of BC LCFS Credits from Tidewater Renewables. Tidewater Renewables used the proceeds from the Tidewater Renewables Transaction and the BC LCFS Credit Purchase Agreement to repay amounts on its Senior Credit Facility.

On September 12, 2024, Tidewater amended and restated its Senior Credit Facility. Tidewater also added a three-year delayed draw term loan tranche of \$150 million as part of its Senior Credit Facility to finance the Acquired Assets and a portion of the purchase of BC LCFS Credits from Tidewater Renewables (the “**Delayed Draw Term Facility**”). Tidewater’s Senior Credit Facility was further amended on March 26, 2025, September 30, 2025 and March 23, 2026, see “*Other Information Relating to Tidewater’s Business - Borrowings – Tidewater Midstream Senior Credit Facility.*”

On September 12, 2024, Tidewater Renewables refinanced its Senior Credit Facility and Second Lien Credit Facility, and the same was further amended on March 26, 2025, see “*Other Information Relating to Tidewater’s Business - Borrowings – Tidewater Renewables’ Senior Credit Facility and Second Lien Credit Facility.*”

Pursuant to the amended and restated Second Lien Credit Facility, Tidewater Renewables issued to an affiliate of Alberta Investment Management Corporation (“**AIMCo**”) warrants to acquire 1,000,000 Tidewater Renewables Common Shares at an exercise price of \$3.99 per share with an expiry date of September 12, 2029. In addition, on September 13, 2024, certain fees payable by Tidewater Renewables to an affiliate of AIMCo in connection with the refinancing of the Second Lien Credit Facility were settled with the issuance of 1,449,239 Tidewater Renewables Common Shares at the then prevailing 10-day volume weighted average trading price on the TSX.

On January 7, 2025, the Corporation announced that Gail Yester retired from the Corporation’s Board, effective December 31, 2024.

Year Ended December 31, 2025

On January 6, 2025, Tidewater Renewables announced that it had filed a countervailing (anti- subsidy) and anti-dumping duty complaint (the “**Complaint**”) with the Canada Border Services Agency (the “**CBSA**”) at the end of the fourth quarter of 2024 targeting the imports of renewable diesel from the U.S. On March 6, 2025, the CBSA, in response to the Complaint, formally initiated a countervailing (anti-subsidy) and anti-dumping duty investigation into imports of renewable diesel from the U.S. (the “**Investigation**”). On May 5, 2025, Tidewater Renewables was advised that the Canadian International Trade Tribunal (the “**Tribunal**”) issued a decision to terminate its preliminary injury inquiry in respect of the Complaint, which ended the Investigation arising from the Complaint. The Tribunal subsequently released reasons for its decision on May 23, 2025.

On January 7, 2025, management made the decision to temporarily lay-up the Ram River Gas Plant, including sulfur handling activities, in order to manage ongoing operating costs and to allow for gas prices to recover and gas flow from producers to resume. Sulfur handling activities returned to service in the first quarter of 2025, but the Ram River Gas Plant remains offline. Management’s intent is to restart the plant when commodity prices strengthen and gas flow from producers restarts.

On January 10, 2025, Tidewater Renewables completed the sale of its interest in Rimrock Renewables Limited Partnership to Biocirc Canada Holdings Inc., an affiliate of Biocirc Group ApS, for a total purchase price of \$7.8 million in cash, of which \$4.7 million was received on close and a further \$2.1 million was received in February 2026 in satisfaction of the total purchase price (the “**RNG LP Divestiture**”). The cash proceeds from the RNG LP Divestiture were used to reduce outstanding debt on Tidewater Renewables’ Senior Credit Facility.

On March 6, 2025, Tidewater announced that it had entered into a definitive agreement with Canadian Resource Roadways LP for the sale of its BRC roadway network for total proceeds of \$24 million (the “**BRC Roadway Sale**”), of which \$22.5 million would be paid on closing and the balance of \$1.5 million would be paid on or before December 31, 2025. The BRC Roadway Sale closed on March 24, 2025. Proceeds of \$22.5 million were received at closing of the BRC Roadway Sale and were used on March 26, 2025 to reduce the Delayed Draw Term Facility. The balance of the proceeds of the BRC Roadway Sale in the amount of \$1.5 million was received on December 29, 2025.

On March 26, 2025, Tidewater amended its Senior Credit Facility, including the Delayed Draw Term Facility. The amendments to Tidewater’s Senior Credit Facility revised the financial covenants effective January 1, 2025 through March 31, 2026. Additionally, in conjunction with the closing of the BRC Roadway Sale and the permanent repayment of a portion of the Delayed Draw Term Facility using the proceeds therefrom, Tidewater’s Senior Credit Facility was amended to defer the first mandatory quarterly repayment under the Delayed Draw Term Facility until April 30, 2026. Tidewater’s Senior Credit Facility was further amended on September 30, 2025 and March 23, 2026, see “*Other Information Relating to Tidewater’s Business - Borrowings – Tidewater Midstream Senior Credit Facility.*”

On March 26, 2025, Tidewater Renewables amended its Senior Credit Facility and its five-year senior secured second lien credit facility (the “**Second Lien Credit Facility**”). The amendments to Tidewater Renewables’ Senior Credit Facility provided for a \$10 million increase to the aggregate principal amount to \$40 million and an extension of the waiver of compliance by Tidewater Renewables with its quarterly financial covenants from September 30, 2025 to March 31, 2026. The amendments to the Second Lien Credit Facility provided for the an increase to the amount available under the tranche C facility by \$10 million to \$43 million, the option for Tidewater Renewables to elect that the April 24, 2025 interest payment (of approximately \$5.1 million) on the tranche A facility be paid in kind with the balance added to the aggregate principal amount of the tranche A facility, the extension of the maturity of the tranche B facility and the tranche C facility from February 28, 2026 to October 24, 2027, and the extension of the waiver of compliance by Tidewater Renewables

with its quarterly financial covenants from September 30, 2025 to March 31, 2026 (at which time Tidewater Renewables will be required to maintain certain financial covenants under its credit facilities on an annualized basis), see *“Other Information Relating to Tidewater Renewables’ Business - Borrowings – Second Lien Credit Facility.”* On May 7, 2025, the maturity date of Tidewater Renewables’ Senior Credit Facility was extended from February 28, 2026, to February 28, 2027.

On May 5, 2025, the Corporation entered into definitive agreements with Pembina Pipeline Corporation and certain of its affiliates (collectively, **“Pembina”**), through a wholly owned limited partnership, to acquire the north segment of Pembina’s Western Pipeline System (the **“Western Pipeline”**) for total cash consideration of approximately \$1.2 million as well as the assumption of certain future abandonment and reclamation obligations and liabilities estimated to be approximately \$15.5 million (undiscounted value) (the **“Western Pipeline Transaction”**). The estimated undiscounted value of future abandonment and reclamation obligations and liabilities assumed in connection with the Western Pipeline Transaction has been revised from approximately \$30 million to approximately \$15.5 million as a result of an updated valuation report completed by independent third-party engineers and environmental scientists engaged by Tidewater during the fourth quarter of 2025. The Western Pipeline Transaction closed on September 25, 2025 and the Corporation expects that it will yield significant cost improvements compared to historical metrics, while further enhancing Tidewater’s ability to optimize its feedstock procurement at the PGR. Closing adjustments related to the Western Pipeline Transaction were finalized in January 2026, which included an approximately \$11.8 million reimbursement for net tolls that Tidewater paid to Pembina during the period from the effective date of the Western Pipeline Transaction of January 1, 2025 to the closing date of the Western Pipeline Transaction of September 25, 2025. The amounts received were used to repay amounts outstanding on Tidewater’s Senior Credit Facility.

On May 7, 2025, Aaron Ames advised Tidewater that he would be stepping down as interim Chief Financial Officer, effective May 18, 2025. Ian Quartly, Tidewater Renewables’ Chief Financial Officer and Tidewater’s Vice President – Finance, was appointed interim Chief Financial Officer, effective May 18, 2025. Mr. Ames remained with Tidewater to ensure a smooth transition until June 13, 2025.

On July 3, 2025, Tidewater announced that it had entered into a definitive agreement with Parallax Energy Operating Inc. (**“Parallax”**) for the sale of its Sylvan Lake Gas Processing Facility for total proceeds of approximately \$5.5 million, subject to customary adjustments. The sale closed on October 21, 2025, and the approximately \$5.5 million in proceeds received were used to repay amounts outstanding on Tidewater’s Senior Credit Facility.

On August 28, 2025, Tidewater completed the consolidation of its Common Shares on the basis of one post-consolidation Common Share for every twenty pre-consolidation Common Shares (the **“Consolidation”**). Proportionate adjustments were made to the conversion price of the 2024 Debentures (as defined below), as well as the Corporation’s stock options (and exercise prices), restricted share units, performance share units and deferred share units.

On September 3, 2025, Tidewater Renewables and the Government of BC executed an amended initiative agreement that will provide additional BC LCFS Credits to Tidewater Renewables to support optimization efforts and assist Tidewater Renewables in advancing the SAF project towards a final investment decision targeted for 2026.

On September 5, 2025, the Government of Canada announced its intention to introduce a new \$370 million Biofuels Production Incentive program (the **“BPI”**), aimed at strengthening the domestic production of biodiesel and renewable diesel. This proposed time-limited incentive is expected to provide per-litre financial support for qualifying Canadian producers from January 2026 through December 2027, with eligibility for up to 300 million litres per facility. The HDRD Complex is anticipated to produce between 150 million and 170 million litres annually during the 2026-2027 period, positioning Tidewater Renewables to be a beneficiary of the program. The anticipated support is expected to enhance the HDRD Complex’s economics, strengthen Tidewater Renewables’ liquidity position and contribute to improved profitability during the incentive window.

On September 30, 2025, Tidewater’s Senior Credit Facility was amended to waive the requirement to comply with the quarterly financial covenants until March 31, 2026. Tidewater’s Senior Credit Facility was further amended on March 23, 2026, see *“Other Information Relating to Tidewater’s Business - Borrowings – Tidewater Midstream Senior Credit Facility.”*

On November 12, 2025, Tidewater and the Government of BC executed an initiative agreement that will provide Tidewater with BC LCFS Credits to support the production of low-carbon renewable diesel and renewable gasoline from the

hydrotreater co-processing unit at the PGR (the “**Hydrotreater Initiative Agreement**”). The BC LCFS Credits awarded under the Hydrotreater Initiative Agreement are expected to fund, once such BC LCFS Credits are sold, approximately 50% of the cost of the renewable feedstocks required to operate the hydrotreater co-processing unit during 2026 and 2027, at rates of up to 300 bbl/d.

On December 4, 2025, Tidewater and the Government of BC executed a further initiative agreement that will provide Tidewater with BC LCFS Credits to support the production of low-carbon renewable diesel and renewable gasoline from the fluid catalytic cracking co-processing infrastructure at the PGR (the “**FCC Initiative Agreement**”). The BC LCFS Credits awarded under the FCC Initiative Agreement are expected to fund, once such BC LCFS Credits are sold, approximately 50% of the cost of the renewable feedstocks required to operate the FCC co-processing infrastructure from May 2026 to April 2028, at rates of up to 300 bbl/d.

Recent Developments

Subsequent to year end, on January 7, 2026, the Corporation announced that it had entered into long-term agreements for gas handling and NGL supply and fractionation (collectively, the “**Handling and Supply Agreements**”) at the BRC. Under the Handling and Supply Agreements, Tidewater will process up to 75 MMcf/d of natural gas (comprised of approximately 65 MMcf/d and approximately 10 MMcf/d of renewed and newly contracted volumes, respectively) at the BRC sourced from dedicated facilities, and will receive the marketing rights to the ethane, propane and butane derived from such processing, for initial terms of approximately five years, which may continue thereafter on an evergreen basis.

Subsequent to year end, on January 16, 2026, Tidewater Renewables formally submitted its application to the Government of Canada for the BPI.

Subsequent to year end, effective March 9, 2026, Ian Quartly was appointed Chief Financial Officer of Tidewater.

Subsequent to year end, on March 23, 2026, Tidewater amended its Senior Credit Facility. The amendments to Tidewater’s Senior Credit Facility revised the financial covenants effective March 31, 2026 and extended the maturity dates of the syndicated and operating components of the Senior Credit Facility from September 12, 2026 to August 30, 2027, see “*Other Information Relating to Tidewater’s Business – Borrowings – Tidewater Midstream Senior Credit Facility*”.

BUSINESS OF TIDEWATER

Business Strategy

Tidewater’s strategy is to profitably grow and create shareholder value through the acquisition, development and operation of conventional and renewable energy infrastructure. Since 2015, Tidewater has been focused on selective acquisitions and divestitures, organic growth projects and optimization of operations at its facilities. As part of its business strategy, Tidewater:

- focuses on operational safety;
- selectively pursues acquisitions and divestitures;
- builds on the interconnectivity of its infrastructure and its integrated business model;
- strives to provide reliable midstream services at a competitive price;
- pursues opportunities to increase throughput at its existing facilities; and
- invests in expansion and optimization opportunities to meet its customer needs and complement its service offerings.

Potential Acquisitions, Issuance of Securities and Financings

Tidewater continues to evaluate potential acquisitions and divestitures of midstream, downstream, and renewable infrastructure and other strategic acquisitions and divestitures as part of its ongoing acquisition and divestiture program. Tidewater regularly evaluates potential acquisitions and divestitures, which individually or together could be material. Tidewater may, in the future, divest of certain assets, issue securities in connection with acquisitions or otherwise,

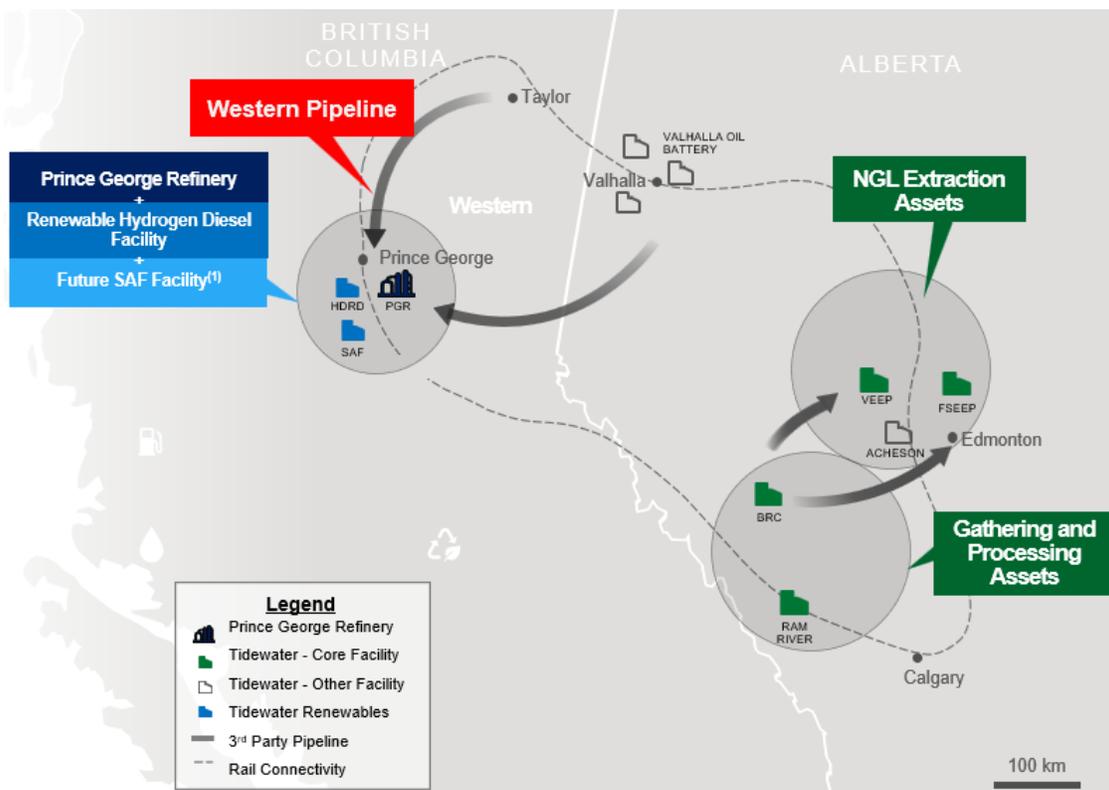
and complete financings of equity or debt (which may be convertible into equity) for purposes that may include financing of acquisitions, Tidewater’s operations and capital expenditures, and repayment of indebtedness. In selecting which capital projects, acquisitions and divestitures to pursue, Tidewater pays close attention to both the macro trends that affect its business, as well as the particular needs of customers and potential customers.

Tidewater’s Operations

Tidewater is a diversified downstream, midstream and infrastructure company with an expanding value chain and is primarily focused on natural gas, NGL and crude oil midstream infrastructure and light oil refining within the liquids-rich Western Canadian Sedimentary Basin (“WCSB”) including the Deep Basin and Central Alberta core areas as well as Prince George, British Columbia. Through its network of vertically integrated assets, Tidewater is able to offer Canadian producers increased value for: (i) light crude oil by utilizing the PGR and crude oil value chain; and (ii) NGLs by utilizing its NGL infrastructure and railcar assets to bring producer volumes to end markets. Tidewater is actively pursuing end-market development opportunities for Canadian crude oil, natural gas and NGLs in an effort to access better pricing for producers’ products. The Corporation has assets strategically located near Prince George, British Columbia, in Central Alberta, and throughout the Deep Basin, which include light oil refining, gas processing, NGL extraction, and natural gas storage infrastructure. These strategic assets provide Tidewater with the opportunity to develop its own crude oil, natural gas and NGL network, which offers takeaway/egress options to producers. Tidewater also produces low carbon fuels, including renewable diesel and renewable gasoline, at the PGR.

Through Tidewater Renewables, Tidewater is also focused on the production of low carbon fuels, including renewable diesel and sustainable aviation fuel. Tidewater provides certain management, administrative and operational services required for Tidewater Renewables to operate and administer its assets, see “Corporate Structure” and “General Development of the Business – Three Year History.”

The following map shows Tidewater’s principal operations in Canada.



Note:

(1) SAF Facility remains subject to final investment decision, which is expected in 2026.

Tidewater utilizes its network of downstream and midstream infrastructure, as well as marketing capabilities and other operations, to provide essential services to its customers. Tidewater Renewables' assets are co-located at select existing Tidewater facilities, providing a strategic asset base that benefits from the integration with existing Tidewater operations. As at December 31, 2025, the Corporation operated as one operating segment as its executive officers reviewed overall operating results in order to assess financial performance and to make resource allocation decisions, rather than to assess a lower level unit of operations in isolation. Revenues within Tidewater's single overarching operating segment are generated from the following categories:

- *Refined Products and Emission Credits* – Tidewater purchases light crude oil and renewable feedstocks and produces refined products, including low sulfur diesel, renewable diesel and gasoline. Tidewater also generates revenue from the sale of emission credits that are generated from the sale of renewable fuels with a Carbon Intensity below the prescribed Carbon Intensity limits. The Corporation's revenue from refined products and emission credits was \$965.4 million for the year ended December 31, 2024 and \$737.2 million for the year ended December 31, 2025.
- *Fee for Service* – Tidewater provides fee-based processing services for natural gas, NGL extraction capability, as well as toll-based natural gas storage services. The Corporation's fee for service revenue was \$88.1 million for the year ended December 31, 2024 and \$58.7 million for the year ended December 31, 2025.
- *NGL and Crude Oil Marketing and Other* – Tidewater purchases, transports, sells, stores and blends both NGLs and crude oil throughout North America. Additionally, Tidewater engages in some limited upstream oil and gas production in Western Canada. The Corporation's NGL and crude oil marketing and other revenue was \$587.0 million for the year ended December 31, 2024 and \$522.6 million for the year ended December 31, 2025.

Downstream Infrastructure

Overview

The PGR is a 12.0 Mbbbl/d light oil refinery that predominantly produces low sulfur diesel and gasoline, in addition to other products, including renewable diesel and renewable gasoline, to supply interior and northern British Columbia. The PGR has significant onsite storage capacity of more than 1.0 MMbbls and flexible logistics, with pipeline, rail and truck connectivity in place. The interior and northern British Columbia region is a net importer of refined products, and the PGR's location within the region makes it a critical piece of infrastructure with a significant logistical advantage to satisfy demand therein. Tidewater expects demand to continue to be strong as various large-scale infrastructure projects are developed in the greater regional area.

Current crude oil/condensate feedstock for the PGR can be supplied by existing light oil and condensate production from B.C. and Alberta, which Tidewater can readily access with its existing and planned midstream footprint. Crude oil feedstock is currently delivered by the Western Pipeline from Taylor, B.C. The PGR has optionality to receive feedstock supply by pipeline, rail and truck. The PGR product yields of approximately 45% diesel and approximately 40% gasoline are primarily sold through existing contracts with purchasers of varying term lengths, with the remainder sold on the spot diesel and gasoline markets. Approximately 10% of additional PGR product yields are liquefied petroleum gas and heavy fuel oil. The remaining approximately 5% is generally consumed as fuel gas or flared.

The HDRD Complex is Tidewater Renewables' flagship asset. The HDRD Complex is a stand-alone renewable fuel complex focused on 100% renewable feedstock and includes a pre-treatment facility to provide Tidewater Renewables significant flexibility on running various renewable feedstocks. Upon commencement of commercial operations on November 7, 2023, the HDRD Complex became Canada's first renewable diesel project.

The HDRD Complex generates revenue through the sale of renewable diesel, as well as BC LCFS Credits and CFR Credits generated from the production and sale of renewable diesel. Tidewater Renewables enters into forward sales contracts for renewable diesel and associated environmental attributes, both together and separately. Certain of Tidewater Renewables' forward sales contracts for renewable diesel include U.S. import parity pricing benchmarks that include prevailing D4 RIN and California LCFS Credit prices in the pricing mechanics, allowing Tidewater Renewables to capture value related to D4 RINs and California LCFS Credits, the cost of which would be payable by customers if such renewable diesel was imported from the U.S. market (being the customer's next best alternative).

Customers and Contracts

Following the expiry of the offtake agreement with Cenovus Energy Inc. (the “**Cenovus Offtake Agreement**”) in the fourth quarter of 2024, the Corporation began marketing diesel and gasoline volumes from the PGR directly to its customers. Tidewater sells the diesel and gasoline that it produces at the PGR to users in the regional and Western Canadian markets, either under agreements with purchasers or on the spot diesel and gasoline markets. Tidewater continues to engage with prospective purchasers of diesel and gasoline volumes from the PGR to replace the sales volumes lost with the expiration of the Cenovus Offtake Agreement and intends to sell volumes not sold to existing and prospective purchasers to users in Western Canada on the spot diesel and gasoline markets, see “*Risk Factors – Operational Risks – Reliance on Principal Customers, Operators and Suppliers*”.

Competition

Tidewater’s competition related to downstream revenue is limited in the interior and northern British Columbia region, due to short refined products production in the region and market structure, but includes other refineries in the greater Western Canadian market, U.S. renewable diesel refineries, major integrated oil and gas companies and their marketing affiliates, investment banks that have established trading platforms and brokers and marketers of varying sizes, financial resources and experience.

Midstream Infrastructure

Overview

Tidewater has ownership interests in numerous natural gas processing, NGL extraction, and natural gas storage facilities in Western Canada, of which it operates the large majority.

Tidewater’s natural gas processing operations generate revenue from fee-based processing, NGL storage and terminalling services, and tariff-based pipeline services. Tidewater’s NGL extraction operations involve the extraction of NGLs at two operating ethane extraction plants in the Edmonton area as well as NGL fractionation at the BRC. The Corporation also operates natural gas storage facilities located at the BRC (Brazeau Nisku F and Brazeau Nisku A).

The BRC, a 185 MMcf/d deep-cut gas processing facility located in the West Pembina region in central Alberta, was the Corporation’s first core asset and includes approximately 10,000 bbls/d of liquid fractionation capability. The Corporation owns a 100% working interest in the BRC together with approximately 225 km of gas gathering pipelines connected to the BRC. At the natural gas storage facilities at the BRC, Tidewater has proven injectivity of approximately 45 MMcf/d, proven withdrawal capacity of approximately 20 MMcf/d and total storage capacity of over 92 billion standard cubic feet.

Tidewater has a 95% operated working interest in the Ram River Gas Plant, a rail-connected 600 MMcf/d sour natural gas processing facility located in the Strachan region in west central Alberta. Tidewater also has an operated working interest in approximately 330 km of pipelines that connect to the Ram River Gas Plant. On January 7, 2025, due to depressed natural gas prices, management made the decision to temporarily lay-up the Ram River Gas Plant, including sulphur handling activities, in order to manage ongoing operating costs and to allow for gas prices to recover and producer gas flow to resume. Sulphur handling operations returned to service in the first quarter of 2025, but the Ram River Gas Plant remains offline. Management’s intent is to restart the facility when commodity prices strengthen and gas flow from producers restarts.

Customers and Contracts

Tidewater provides fee-based processing, storage and terminal services, to independent and integrated oil and gas producers. End users for Tidewater’s products range from large natural gas utilities, producers, and refiners, to retail customers with product reaching the end markets via major export pipelines and rail infrastructure to which Tidewater is connected. Tidewater’s processing contracts are typically structured as fee-for-service arrangements, and/or reserve or dedication agreements. The Corporation offers natural gas storage capacity to its customers, also supporting the associated processing facilities by offering producers an additional egress option during times of pipeline restrictions.

Competition

Each of Tidewater's gas processing plants is subject to competition from other gas processing plants which are either in the same general vicinity or have gathering systems that are or could potentially extend into geographic regions served by Tidewater's facilities. As well, Tidewater's NGL extraction and natural gas storage facilities are subject to competition from other existing infrastructure, for which competition is anticipated to continue to grow as other companies announce plans for expanded transportation, terminalling and storage services, a trend also expected in other interconnected geographic areas in Western Canada and the U.S. Tidewater's natural gas storage tolls can also be subject to forward seasonal natural gas prices.

Marketing and Other Activities

Overview

Tidewater provides valuable marketing services to customers including producers, refiners, third party crude oil markets and downstream consumers. Marketing services take advantage of specific location, quality or time-based opportunities when they are available. Tidewater operates facilities connected to Western Canadian pipeline egress for crude oil and condensate as well as a proprietary rail terminal in Acheson, Alberta. The Acheson rail terminal is connected to transport crude oil by rail both into and out of the province.

The crude oil and NGL marketing businesses are impacted by market price conditions, such as price changes resulting from global and regional supply and demand, as well as government intervention. With its asset base, Tidewater capitalizes on market opportunities between geographical regions. Marketing margins can vary from period to period with fluctuating commodity prices and differentials.

Tidewater's upstream oil and gas production is primarily in Northwestern Alberta. Tidewater production is sold through third party marketing companies at current market prices or, where possible, marketed and sold directly by Tidewater. The upstream oil and gas industry is highly competitive as Tidewater competes for skilled industry personnel, as well as opportunities to maintain and grow production, with numerous larger and smaller companies. Competition may also be presented by alternate fuel sources. Tidewater is subject to certain asset retirement obligations with respect to its upstream oil and gas production, see "*Environmental Liability Reduction – Decommissioning, Abandonment, Remediation and Reclamation Costs*".

Customers

In the crude oil and NGL marketing businesses, Tidewater's customer base is diversified and includes integrated oil and gas companies, producers, refineries, retail customers, and downstream end users.

Competition

Tidewater's competitors in the crude oil and NGL marketing businesses include other midstream companies, major integrated oil and gas companies, their marketing affiliates, independent gatherers, investment banks that have established trading platforms and brokers and marketers of widely varying sizes, financial resources, and experience. Transportation options for producers and shippers generally include trucking and rail but can also include pipeline options owned by Tidewater's competitors.

Seasonality and Cyclicity

The business of Tidewater is expected to continue to exhibit seasonality and cyclicity due to overall consumption patterns of refined products, feedstock availability, broad macro-economic activity and extenuating events. More specifically, demand for diesel products and natural gas tends to be higher in the winter months, which the Corporation anticipates will correspond with higher demand for renewable fuel sales during such winter months.

Employees and Labour Relations

As at December 31, 2025, Tidewater employed approximately 312 permanent employees and 40 contractors and consultants in its operations.

Approximately 29 employees employed by Tidewater at the BRC are represented by Unifor Local 431. In March 2024, Tidewater negotiated a new collective agreement with Unifor Local 431 and the same was ratified on March 13, 2024 (the “**BRC Collective Agreement**”). The BRC Collective Agreement provides for annual rate increases of 5%, 3.5% and 3.5% coming into effect February 1st of 2023, 2024 and 2025, respectively.

Additionally, approximately 95 employees employed by Tidewater at the PGR are represented by Unifor Local 1997. In July 2024, Tidewater negotiated a new collective agreement with Unifor Local 1997 and the same was ratified on July 31, 2024 (the “**PGR Collective Agreement**”). The PGR Collective Agreement provides for annual rate increases of 5%, 3.5% and 3.5% coming into effect February 1st of 2023, 2024 and 2025, respectively.

Each of the BRC Collective Agreement and PGR Collective Agreement expired on January 31, 2026. Unifor Local 431 and Unifor Local 1997 served Tidewater with notices to bargain on October 23, 2025 and October 3, 2025, respectively, and Tidewater expects to commence negotiations for new collective agreements in the second quarter of 2026. Both Unifor Local 431 and Unifor Local 1997 are separate bargaining units. To date, Tidewater has never experienced a labour-related work stoppage at any of its facilities, see “*Risk Factors – Operational Risks – Labour Relations*”.

Economic Dependence

The Corporation is not a party to any contract for the purchase or sale of services or products or any other agreement upon which its business is substantially dependent, and the Corporation is not party to any contracts or subcontracts which terminate, or which are subject to renegotiation this current financial year, and which would reasonably be expected to materially affect the Corporation’s business. While Tidewater is not reliant on any specific contract for the purchase or sale of services or products, the Corporation relies on sales contracts of varying lengths for its products with various purchasers to enhance the stability and consistency of its revenue. The termination of such contracts could, in the aggregate, materially affect the Corporation’s business by resulting in the Corporation being forced to sell considerably higher volumes on the spot diesel and gasoline markets and leaving the Corporation vulnerable to fluctuations in such markets.

Specialized Skill and Knowledge

Tidewater relies on specialized skills and knowledge to design and operate its crude oil refining and natural gas and NGL gathering, processing extraction, and transportation facilities. Tidewater employs a strategy of contracting consultants and other service providers to supplement the skills and knowledge of its permanent staff in order to provide the specialized skills and knowledge to effectively undertake its midstream, downstream, renewables, and other operations.

BC LCFS Credit Market

The business of Tidewater, both on its own and through its ownership of Tidewater Renewables, depends in part on the state of the BC LCFS Credit market. Tidewater has been generating and receiving BC LCFS Credits through the blending of ethanol and bio-diesel, and through co-processing of renewable feedstock. Tidewater Renewables has been generating and receiving BC LCFS Credits through the production and sale of renewable diesel and through the development of the HDRD Complex and SAF Facility. Tidewater and Tidewater Renewables sell BC LCFS Credits by entering into spot and future sale agreements for BC LCFS Credits or including BC LCFS Credits in the sale of its renewable diesel, as applicable.

Starting in the third quarter of 2024, the BC LCFS Credit market experienced a sharp decline which continued throughout 2025. Management believes that this sharp decline is a function of large volumes of subsidized U.S. renewable diesel physically moving out of the oversupplied U.S. renewable fuel market and into the higher value BC market. Aggravating the situation, in management’s view, are overlapping U.S. and Canadian low carbon fuel policies which allow U.S. renewable diesel producers to take advantage of U.S. subsidies and compliance markets at the point of production and then import their volumes to Canada and generate BC LCFS Credits at the point of sale. In response to the influx of renewable fuels into the BC market, on February 27, 2025 the Government of BC announced changes to the *Low Carbon Fuels Act* (the “**Amendments**”) to increase the renewable fuel requirement for diesel from 4% to 8%, together with, effective April 1, 2025, requiring such renewable fuel content to be produced in Canada. Additionally, effective as of January 1, 2026, the minimum 5% renewable fuel requirement for gasoline must be met with eligible renewable fuels produced in Canada. The Corporation views the Amendments as a favourable development for the BC LCFS Credit market. These actions are expected to support Tidewater, Tidewater Renewables and the broader Canadian biofuels sector in meeting the increasing demand for clean fuels while alleviating pressure on BC LCFS Credit prices.

CFR Credit Market

The business of Tidewater, both on its own and through its ownership of Tidewater Renewables, depends in part on the state of the CFR Credit market. Tidewater has been generating and receiving CFR Credits through the blending of ethanol and bio-diesel, and through co-processing of renewable feedstock. Tidewater Renewables has been generating and receiving CFR Credits by way of producing renewable diesel and undertaking other CFR Credit generating activities. Tidewater Renewables sells CFR Credits by entering into spot and future sale agreements for CFR Credits or including CFR Credits in the sale of its renewable diesel.

The price of CFR Credits peaked during the first year of the CFR coming into force and saw a decline in the second half of 2024 and beginning of 2025. During the second and third quarters of 2025, the price of CFR Credits substantially increased, and such prices stabilized during the fourth quarter of 2025. Management believes the increase in the price of CFR Credits is a function of the liquidity of CFR Credits in the marketplace that are available to meet compliance obligations as the CFR emissions reductions requirements continue to increase. Tidewater Renewables' ability to monetize CFR Credits is dependent on the supply and demand of the CFR Credit market. The CFR emission reduction requirements increase each year until 2030, culminating with a 15% emission reduction requirement compared to fossil fuels. In addition, the CFR program is a Federal program, resulting in more obligated parties and a significantly larger fuel pool that requires CFR Credits to meet compliance obligations. As a result, management expects there to be more demand for CFR Credits each year until 2030 as CFR Credits are used to meet these emission reduction requirements.

D4 RIN Market

The business of Tidewater, through its ownership of Tidewater Renewables, depends in part on the state of the D4 RIN market. When Tidewater Renewables sells renewable diesel with all environmental attributes included therewith, the U.S. import parity pricing benchmarks include the value of D4 RINs, which are essential components for compliance under the RFS.

The price of D4 RINs is influenced by various factors, including the annual renewable volume obligations (“RVOs”) set by the EPA, supply of biomass-based diesel, feedstock costs, and overall fuel demand. The price of D4 RINs experienced a period of compression in early 2025 but has largely recovered entering 2026. Management believes this improvement is supported in part by stronger supply-demand fundamentals and increased regulatory clarity regarding the RFS. In particular, the EPA has proposed higher RVOs for 2026 and 2027 relative to 2025 levels for biomass-based diesel, signaling continued support for the biofuels sector and increasing compliance demand for D4 RINs. Management believes these developments reinforce the role of renewable diesel in meeting decarbonization objectives and are expected to be supportive of pricing for Tidewater Renewables' low-carbon product offerings.

California LCFS Credit Market

The business of Tidewater, through its ownership of Tidewater Renewables, depends in part on the state of the California LCFS Credit market. The California LCFS program is administered by the CARB and requires a reduction in the Carbon Intensity of transportation fuels used in California, with California LCFS Credits being generated by the supply of low carbon fuels and deficits being incurred by the supply of higher carbon fuels. When Tidewater Renewables sells renewable diesel with all environmental attributes included therewith, the U.S. import parity pricing benchmarks include the value of California LCFS Credits.

California LCFS Credit prices are primarily influenced by supply and demand dynamics, including the availability of renewable fuels and the stringency of Carbon Intensity reduction targets. The price of California LCFS Credits experienced a decline in early 2025 due to an oversupply of California LCFS Credits in the marketplace, but such prices have recovered and stabilized in the fourth quarter of 2025. Management believes this improvement reflects evolving market conditions and regulatory developments. Notably, the CARB adopted amendments to the California LCFS program that included, among other things, a one-time Carbon Intensity adjustment of 9% on July 1, 2025, which immediately increased the stringency of the California LCFS program, and an increase to the Carbon Intensity reduction target from 20% to 30% below the 2010 baseline by 2030 (with the goal for a 90% Carbon Intensity reduction by 2045). These amendments, together with the introduction of other mechanisms intended to adjust stringency over time, are designed to tighten the California LCFS Credit market and support the long-term effectiveness of the California LCFS program. Management believes these developments signal California's continued commitment to transportation decarbonization and are expected to be supportive of the environmental attribute value embedded in Tidewater Renewables' low-carbon product offerings.

OTHER INFORMATION RELATING TO TIDEWATER'S BUSINESS

Borrowings

Senior Credit Facilities

Tidewater and Tidewater Renewables each have Senior Credit Facilities with a syndicate of lenders. Pursuant to an intercreditor agreement between, among others, Tidewater, the lenders (or agent thereof) under the Senior Credit Facility and the lenders under Tidewater Renewables' Senior Credit Facility (or agent thereof), Tidewater acknowledged and agreed that the lenders under the Senior Credit Facility and the lenders under Tidewater Renewables' Senior Credit Facility may treat Tidewater and Tidewater Renewables (and their respective guarantors) as affiliated and consolidated entities in considering their total exposure, risk rating and capital allocation, or for any other purpose, and may have regard to such considerations with respect to any extension, consent or waiver request or in taking any other discretionary action in respect of Tidewater and Tidewater Renewables (and their respective guarantors). Notwithstanding the foregoing, (i) the Senior Credit Facilities are not cross guaranteed, and (ii) a default under the Tidewater Renewables Senior Credit Facility does not cause a cross default under the Senior Credit Facility.

Tidewater Midstream Senior Credit Facility

Tidewater's Senior Credit Facility consists of a \$125 million syndicated facility, a \$50 million operating facility and the Delayed Draw Term Facility which currently has a principal amount of \$122.2 million. On September 12, 2024, Tidewater amended and restated its Senior Credit Facility to increase the aggregate revolving capacity by \$25 million, from \$150 million to \$175 million, and to extend the maturity date from February 10, 2026 to September 12, 2026. Also on September 12, 2024, Tidewater added the Delayed Draw Term Facility as part of its Senior Credit Facility to finance the Acquired Assets and a portion of the purchase of BC LCFS Credits from Tidewater Renewables. The Delayed Draw Term Facility has a maturity date of August 30, 2027. The Tidewater Senior Credit Facility, including the Delayed Draw Term Facility, is subject to a number of customary covenants and restrictions.

On March 26, 2025, Tidewater, with the support of its lenders, amended the financial covenant requirements within the Senior Credit Facility (including the Delayed Draw Term Facility) to increase the first lien senior debt to adjusted EBITDA covenant up to 4.50:1 from 3.50:1 and decrease the adjusted EBITDA to interest coverage ratio down to 1.50:1 from 2.50:1, effective January 1, 2025 until March 31, 2026. Additionally, in conjunction with the closing of the BRC Roadway Sale and the permanent repayment of a portion of the Delayed Draw Term Facility using the proceeds from the sale, the Senior Credit Facility was amended to defer the first mandatory quarterly repayment of \$5.0 million on the Delayed Draw Term Facility until April 30, 2026.

On September 30, 2025, Tidewater's Senior Credit Facility was amended to waive the requirement to comply with the quarterly financial covenants until March 31, 2026, at which time the Corporation will be required to maintain certain deconsolidated financial covenants on a trailing twelve-month basis.

On March 23, 2026, Tidewater, with the support of its lenders, amended the financial covenant requirements within the Senior Credit Facility (including the Delayed Draw Term Facility) to (a) decrease the consolidated EBITDA to interest coverage ratio to 2.00:1 from 2.50:1 for the fiscal quarter ending March 31, 2026, and returning to 2.50:1 for the fiscal quarter ending June 30, 2026 and each fiscal quarter thereafter, (b) increase the consolidated debt to consolidated adjusted EBITDA ratio to 4.50:1 from 4.00:1 for the fiscal quarter ending March 31, 2026, and returning to 4.00:1 for the fiscal quarter ending June 30, 2026 and each fiscal quarter thereafter, and (c) increase the consolidated first lien senior debt to consolidated adjusted EBITDA ratio to 4.50:1 from 3.50:1 for the fiscal quarter ending March 31, 2026, and returning to 3.50:1 for the fiscal quarter ending June 30, 2026 and each fiscal quarter thereafter. Additionally, the maturity dates of the syndicated and operating components of the Senior Credit Facility were extended from September 12, 2026 to August 30, 2027.

Tidewater Renewables' Senior Credit Facility and Second Lien Credit Facility

Tidewater Renewables' Senior Credit Facility consists of a syndicated facility and an operating facility. On September 12, 2024, Tidewater Renewables amended and restated its Senior Credit Facility, reducing the aggregate principal amount from \$175 million to \$30 million and extending the maturity date from September 18, 2024 to February 28, 2026. On May 7, 2025, the maturity date of Tidewater Renewables' Senior Credit Facility was further extended from February 28, 2026,

to February 28, 2027.

On March 26, 2025, Tidewater Renewables further amended its Senior Credit Facility to increase the aggregate principal amount by \$10 million to \$40 million. The Tidewater Renewables' Senior Credit Facility consists of a \$5 million revolving syndicated facility and a \$35 million revolving operating facility. The Tidewater Renewables' Senior Credit Facility is subject to a number of customary covenants and restrictions, however, compliance by Tidewater Renewables with its quarterly financial covenants has been waived until March 31, 2026.

On October 24, 2022, Tidewater Renewables entered into the Second Lien Credit Facility with an affiliate of AIMCo. The Second Lien Credit Facility was amended and restated on September 12, 2024. As of September 12, 2024, the Second Lien Credit Facility consisted of a tranche A facility in the aggregate principal amount of \$150 million, a tranche B facility in the aggregate principal amount of \$25 million, and a new tranche C facility in the aggregate principal amount of \$33 million. The new tranche C facility of the Second Lien Credit Facility may only be drawn under certain circumstances to refinance the Senior Credit Facility. On September 12, 2024, the maturity date of the tranche B facility was extended from September 18, 2024 to February 28, 2026, while the maturity date of the tranche A facility remained unchanged at October 24, 2027. This followed previous extensions of the maturity date from August 18, 2024 to August 30, 2024 and from August 30, 2024 to September 18, 2024 to provide the Corporation with the necessary time to complete the Tidewater Renewables Transaction. The tranche C facility, if drawn, is due and payable on demand by the lender under the Second Lien Credit Facility. Additionally, compliance by the Corporation with its quarterly financial covenants was waived until September 30, 2025. Interest on the tranche A facility is payable semi-annually in arrears, while interest on the tranche B facility and the tranche C facility (if drawn) is payable quarterly in arrears. The interest rate payable on the Second Lien Credit Facility is subject to a yearly escalator and also fluctuates directly with inflation through an annual adjustment based on changes to the Canadian Consumer Price Index. The Second Lien Credit Facility is subject to a number of customary covenants and restrictions.

On March 26, 2025, the Second Lien Credit Facility was further amended to increase the amount available under the tranche C facility by \$10 million to \$43 million, provide Tidewater Renewables with the option to elect that the April 24, 2025 interest payment of approximately \$5.1 million on the tranche A facility be paid in kind with the balance added to the aggregate principal amount of the tranche A facility (which it exercised), extend the maturity of the tranche B and tranche C facilities from February 28, 2026 to October 24, 2027, and extend the waiver of compliance by Tidewater Renewables with its quarterly financial covenants from September 30, 2025 to March 31, 2026, at which time Tidewater Renewables will be required to maintain certain financial covenants on an annualized basis.

Debentures

On June 4, 2024, Tidewater closed its \$100 million financing of 2024 Debentures due June 30, 2029. The 2024 Debentures were offered at a price of \$1,000 per 2024 Debenture, with an interest rate of 8.00% per annum, payable semi-annually on the last day of June and December. The 2024 Debentures are convertible at the holder's option into Common Shares, originally at a conversion price of \$0.78, which conversion price was adjusted to \$15.60 pursuant to the Consolidation (the "**2024 Debenture Conversion Price**").

The 2024 Debentures are convertible into Common Shares at the holder's option at any time prior to the close of business on the earlier of: (i) the business day immediately preceding the maturity date; or (ii) if called for redemption, the business day immediately preceding the date specified by the Corporation for redemption of the 2024 Debentures, at the 2024 Debenture Conversion Price, subject to adjustments in certain events.

The 2024 Debentures are not redeemable by the Corporation prior to June 30, 2027, except in limited circumstances following a change of control. On and after June 30, 2027 and prior to the maturity date, provided that the volume weighted average trading price of the Common Shares on the TSX for the 20 consecutive trading days ending five trading days preceding the date on which notice of redemption is given is not less than 125% of the 2024 Debenture Conversion Price, the 2024 Debentures may be redeemed at the option of the Corporation in whole or in part from time to time, on not more than 60 days and not less than 30 days' prior notice, at a price equal to the principal amount thereof, plus any accrued and unpaid interest thereon up to (but excluding) the date of redemption. All or any portion of redemption price or the amount due on maturity may be paid in cash or freely tradeable Common Shares. The number of Common Shares in lieu of cash is calculated by dividing the principal amount of the 2024 Debentures being repaid by 95% of the 20-day volume weighted average trading price of the Common Shares ending on the fifth trading day preceding the applicable payment date.

The proceeds from the offering of the 2024 Debentures was used to redeem the \$75 million principal amount 2019 Debentures due September 30, 2024, with the balance used for general corporate purposes.

Integrity Management

Tidewater is committed to maintaining the integrity of its pipeline and facility assets. This commitment is integral to Tidewater's business strategy of operating safely, reliably and preserving the longevity of its assets. Tidewater's integrity management systems apply to facility pressure equipment, pressure piping and pipelines and are developed having regard for the applicable regulations, codes and standards which govern the design and operation of these assets.

Through its employees and the integrity management systems, Tidewater continuously strives to minimize the likelihood of incidents and operational downtime, while safeguarding employees, the environment and the communities in which it operates.

Tidewater's integrity management systems apply throughout the complete asset lifecycle from design through retirement. Each program is founded on a process involving identification of hazards that may impact long term integrity of the asset and assessment of risk, establishing plans and activities to mitigate that risk, application of the mitigation under the plan, and monitoring the performance of the program and managing change.

Pipeline Integrity

Tidewater owns over 3,886 km (1,759 km net operating) of pipelines. Tidewater's Pipeline Integrity Management System is designed to evaluate, maintain and assure pipeline health throughout a pipeline's life cycle across the entirety of the pipeline network, and does so by maintaining high standards of work in all aspects of pipeline integrity.

Key elements of the Pipeline Integrity Management System include the design, construction, installation, commissioning, operation, maintenance, decommissioning or abandonment of Tidewater's pipeline systems in accordance with applicable regulations, codes and standards and best business practices. These business practices include, but are not limited to, conducting a risk assessment to identify inspection and risk mitigation activities, and measurement of compliance to and performance of the integrity management plan.

Some of the activities undertaken to manage integrity of its pipelines include carrying out in-line inspections and other non-destructive examinations, completing repairs to pipelines to maintain system integrity, application of chemicals to mitigate corrosion, right of way surveillance, hydrotechnical and geotechnical reviews to minimize the risk of environmental induced changes, third party damage, and depth of cover surveys.

Facility Integrity

Tidewater maintains a Pressure Equipment Integrity Management System for assets associated with its facilities to meet or exceed regulatory requirements. Its integrity programs apply a life cycle approach, the goal of which is to ensure that pressure equipment is designed, constructed, installed, commissioned, operated, maintained, decommissioned, and managed in a manner that reduces any potential loss of containment, that provides worker safety and protects the environment. Turnarounds at the PGR and other processing facilities are planned and executed with the objective of maintaining integrity of pressure equipment, pressure safety valves, piping and tanks, and at the same time complying with federal and other jurisdictional requirements, codes, standards, industry best practices, and the requirements of Tidewater's own integrity management systems. Key pressure equipment inspection and maintenance are conducted during turnarounds. These inspections are scheduled for regular intervals on an ongoing basis in accordance with Tidewater's Pressure Equipment Integrity Management System.

Health, Safety and Environmental Programs

Tidewater is subject to federal, provincial and municipal health, safety and environmental legislation and associated regulations.

In 2016 the Government of Canada announced a national carbon pricing regime, which came into effect in 2018 under the *Greenhouse Gas Pollution Pricing Act* (the "GGPPA"). The pricing regime is intended to support the objectives of the Paris Climate Agreement signed by Canada and over 160 other countries. The GGPPA sets a federal backstop carbon price

Canada-wide (\$95 per tonne CO₂e emissions in 2025 and increasing by \$15 per tonne annually to \$170 per tonne in 2030) through a federal fuel charge on the distribution of fossil fuels, and an output-based pricing system (“**OBPS**”) for large industrial emitters. Under the GGPPA, provinces are required to either adopt the GGPPA, or implement provincial regimes equivalent to the federal fuel charge and the OBPS (with carbon pricing in such regimes equivalent to the federal backstop carbon price). As of April 1, 2025, the Government of Canada amended regulations under the GGPA to cease the application of the federal fuel charge and to remove requirements for provinces and territories to have a consumer-facing carbon price.

Historically, the OBPS aspect of the GGPPA has not applied in Alberta as the province’s *Technology Innovation and Emission Reduction Regulation* (“**TIER**”), which has been deemed by the federal government to be equivalent to OBPS requirements of the GGPPA. On May 12, 2025, the Government of Alberta announced an indefinite freeze on the price of carbon emissions under TIER at \$95/tonne, introducing uncertainty as to whether TIER would continue to be deemed equivalent to the OBPS requirements of the GGPPA. The governments of Canada and Alberta subsequently entered into a Memorandum of Understanding on November 27, 2025 (the “**Canada-Alberta Memorandum of Understanding**”). Among other things, the Canada-Alberta Memorandum of Understanding documents the parties’ commitment to reaching a new agreement on industrial carbon pricing by April 1, 2026, featuring a minimum effective credit price under TIER of \$130/tonne by 2030.

The Government of Canada has also issued the federal *Clean Fuel Regulations* (the “**CFR**”) which became effective as of July 1, 2023. The CFR mandate a reduction in the Carbon Intensity of certain liquid transportation fuels such as gasoline and diesel imported into or produced in Canada, starting in 2023. The CFR requires a 3.5 gCO₂e/MJ reduction in Carbon Intensity from 2016 baseline levels starting in 2023, increasing by 1.5 gCO₂e/MJ per year to a 14 gCO₂e/MJ reduction in Carbon Intensity by 2030. The CFR builds upon the existing federal renewable fuels regulations that require fuel producers and importers to have a specified amount of renewable fuel in gasoline and diesel. The CFR established a clean fuel regulation credit (“**CFR Credit**”) market, where each credit represents a lifecycle emission reduction of one tonne of carbon dioxide equivalent. For each compliance period, a primary supplier must demonstrate compliance with their reduction requirement by creating credits or acquiring credits from other creators, and then using the required number of credits for compliance. CFR Credits can be created by various low carbon fuel types, including renewable diesel and renewable gasoline.

On September 5, 2025, the Government of Canada announced its intention to propose targeted amendments to the CFR to strengthen the resiliency and support the development of Canada’s low-carbon fuel sector, while maintaining the CFR’s primary focus on lowering GHG emissions and transitioning to a low carbon economy. On December 3, 2025, the Government of Canada published a discussion paper (the “**CFR Discussion Paper**”) to invite views and information related to the proposed targeted amendments to the CFR. The comment period for the CFR Discussion Paper closed on January 15, 2026. The amendment options provided in the CFR Discussion Paper aim to increase demand for low-carbon fuels and increase the competitiveness of the Canadian low-carbon fuel sector.

On December 31, 2025, the Government of Canada published finalized amendments to federal methane regulations (the “**Methane Regulation Amendments**”) which are designed to achieve the Government of Canada’s goal of reducing methane emissions from the oil and gas sector by at least 75% below 2012 levels by 2030. The Methane Regulation Amendments impose stricter restrictions on methane emissions from regulated oil and gas facilities by setting broad requirements for fugitive emissions management, prohibiting venting emissions from facilities, with limited exceptions, limiting hydrocarbon gas destruction, and requiring regular inspections and repair. At the same time, the Methane Regulation Amendments offer an alternative compliance option where upstream oil and gas facilities can implement an emission monitoring system designed to focus on emission outcomes, rather than prescribing a specific compliance action. Facilities committing to the alternative compliance option would be required to keep facility emissions intensity below a prescribed limited and take corrective actions when emissions are higher. The Methane Regulation Amendments will apply to new facilities as of January 1, 2028 and to all facilities as of January 1, 2030. BC, Alberta and Saskatchewan are currently exempt from the application of the Federal methane regulations under equivalency agreements, however, the Methane Regulation Amendments will require a reassessment of these equivalency agreements. Pursuant to the November 27, 2025 Canada-Alberta Memorandum of Understanding, the Governments of Canada and Alberta have committed to enter into a methane equivalency agreement by April 1, 2026, with a 2035 target date and a 75% reduction target relative to 2014 levels. The Canada-Alberta Memorandum of Understanding also provided that the Government of Canada would not implement the previously proposed oil and gas emissions cap.

In Alberta, the *Emissions Management and Climate Resilience Act* provides a framework for managing GHG emissions in

the province. The accompanying regulations include the *Specified Gas Reporting Regulation*, which imposes GHG emissions reporting requirements, and TIER. TIER came into force on January 1, 2020 and is an emissions intensity-based regime requiring large emitters to reduce their emissions intensity below a prescribed level. Large emitters can otherwise achieve this through a true-up obligation whereby credits can be applied against such prescribed level, together with or as an alternative to physical abatement, with penalties for failure to achieve compliance. On January 1, 2023, significant amendments to TIER came into effect. These amendments include, but are not limited to the following:

- increasing the price to obtain a TIER fund credit to \$65 per credit in 2023, with subsequent increases of \$15 per credit annually up to \$170 per credit in 2030, to align TIER with the federal benchmark under GGPPA;
- lowering the minimum emissions opt-in threshold for facilities in an emissions-intensive and trade-exposed sector from 10,000 tonnes of CO₂e per year to 2,000 tonnes of CO₂e;
- the establishment of a new set of TIER credits to facilitate participation by carbon capture, utilization and storage project proponents;
- reducing the expiry period for emissions offsets, emission performance credits and sequestration credits generated in 2023 and beyond to five years after the credits were generated from the previous eight and nine year periods;
- increasing the ability to use emission offsets, emission performance credits and sequestration credits to meet TIER-regulated compliance obligations from 60% of a facility's compliance obligations in 2023 to 90% of a facilities compliance obligations by 2026; and
- a 2% annual tightening rate for facility-specific benchmarks and high-performance benchmarks.

As noted above, the Government of Alberta announced in May 2025 an indefinite freeze on the price of carbon emissions under TIER at \$95/tonne, and the governments of Canada and Alberta are presently negotiating a new agreement on industrial carbon pricing that will tentatively feature a minimum effective credit price of \$130/tonne by 2030.

On December 3, 2025, the Government of Alberta also made amendments to TIER to recognize on-site emissions reduction investments as a new way for industry to comply with the TIER system in addition to the current options available and to allow smaller facilities that have previously opted in to the TIER system to leave or apply for approval to submit a partial-year compliance report for 2025.

Alberta has also adopted, among other environmental legislation, the *Methane Emission Reduction Regulation* under the *Environmental Protection and Enhancement Act*. The regulations came into force on January 1, 2020 and include requirements to address the primary sources of methane emissions from Alberta's upstream oil and gas industry, particularly fugitive emissions and venting.

In BC, the *Carbon Tax Act* (the "CTA") has been in force since 2008. The CTA established an economy-wide carbon tax and established a price on GHGs beginning at \$10 per tonne in 2008, with increases to \$80 per tonne by 2024. On April 1, 2025, the Government of BC eliminated the consumer portion of the carbon tax in alignment with actions taken by the Government of Canada. Effective April 1, 2024, the Government of BC replaced the CleanBC Industrial Incentive Program with a newly designed output-based pricing system (the "B.C. OBPS") for large industrial emitters, which prices emissions that exceed specific limits. The B.C. OBPS is still in effect and is intended to ensure emissions reductions for industry continue, while providing flexible options, such as earned units and carbon offsets, to meet compliance obligations.

In British Columbia, the *Low Carbon Fuels Act* (the "LCF Act") came into effect January 1, 2024, replacing the *Greenhouse Gas Reduction (Renewable and Low Carbon Fuel Requirements) Act*. Under the LCF Act the *Low Carbon Fuels (General) Regulation* mandates the reduction of Carbon Intensity of transportation fuel supplied in the Province of British Columbia. These regulations have been in place in British Columbia since 2010 and require an annual reduction in transportation fuel Carbon Intensity. The current regulations will reduce the Carbon Intensity of fuels by 30% in 2030 from the 2010 baseline. All transportation fuel supplied in the Province of British Columbia must be compliant with these regulations. On February 27, 2025, the Government of BC announced certain amendments to the LCF Act, see "*Business of Tidewater - BC LCFS Credit Market*".

Tidewater closely monitors and manages its obligations under federal, provincial and municipal health, safety and environmental legislation and associated regulations, in line with its commitment to conduct its operations in a manner that

protects the health and safety of the public, its workforce and the environment, see “*Risk Factors – Operational Risks – Climate Change Regulation and Environmental and Public Safety Considerations*”. The Corporation has a highly skilled workforce and provides ongoing training to maintain the skills and understanding necessary for a safe and healthy work environment. Tidewater’s health, safety and environmental policies set an expectation that everyone must share in the responsibility to work safely and responsibly, while meeting or exceeding all applicable laws and regulations.

Tidewater conducts annual emergency response training exercises to practice and determine the effectiveness of its emergency response plans. Tidewater conducts these training exercises in accordance with applicable regulations and administers them with local emergency responders, regulatory agencies, Tidewater employees and key contractors. Tidewater uses the Incident Command System which supports a unified approach to emergency response and is a system widely used by emergency response support agencies.

Tidewater regularly reviews its safety performance, conducts safety audits and shares experiences and best practices within the organization and, at times, with others in industry. Tidewater has adopted a suite of policies, procedures and safe operating practices, which are reviewed, evaluated and updated based on changes to laws and regulations, technology developments, industry standards and the operational needs of its facilities. Tidewater also has formal incident reporting processes, which allow it to, among other things, identify and track incidents and near misses; identify, implement and follow up on appropriate corrective actions; and share learnings. Tidewater also carries out investigations to understand factors that might cause or contribute to incidents. The Corporation also seeks to learn from its experiences, as well as from other industry learnings, in order to prevent the occurrence or recurrence of an incident. Reports of activities and performance under Tidewater’s health, safety and environmental management system are also provided regularly to each of the Governance, Compensation, Safety and Sustainability Committee and the Board.

Environmental Liability Reduction – Decommissioning, Abandonment, Remediation and Reclamation Costs

Tidewater incurs annual decommissioning, abandonment, remediation, and reclamation costs as part of its liability management program with active and inactive assets. These costs can include items such as facility decommissioning, well abandonments, groundwater remediation and monitoring programs, soil remediation and surface reclamation projects, all of which help Tidewater assess and proactively manage its environmental liability, see “*Risk Factors – Operational Risks – Environmental and Public Safety Considerations*”.

End-of-life costs or asset retirement obligations are accounted for through Tidewater’s financial obligations and are reflected in its financial statements. Tidewater makes full provision for the future cost of its asset retirement obligations measured at the present value of Tidewater’s best estimate of the cost to settle such obligations, using a risk-free rate as prescribed by Canadian accounting standards. For further information, refer to Tidewater’s most recent Annual Financial Statements which are available on SEDAR+ at www.sedarplus.ca.

Long term asset retirement obligation costs are variable, as they are a function of regulatory requirements and other factors in force and effect at the time of decommissioning, abandonment, remediation and/or reclamation. In determining its asset retirement obligation cost estimates, Tidewater considers: (i) the cost of facility abandonment, including suspension and demolition costs, and (ii) environmental restoration, remediation, and reclamation costs, in order to meet applicable reclamation certificate criteria. Tidewater engages reputable third-party environmental consultants and experienced employees to collect, review and assess the relevant data in preparation of the estimates. To support its liability estimates, Tidewater has performed end-of-life reviews for its large facility assets utilizing Tidewater’s historical expenditures for liability reduction services and industry costs for similar projects.

From 2018 to 2021, Tidewater participated in the Area Based Closure program, an Alberta Energy Regulator (“AER”) voluntary program designed to encourage oil and gas licensees to work together with the AER or other licensees to decommission, remediate, and reclaim energy and infrastructure sites. In 2021, the AER introduced the Inventory Reduction Program under which the AER sets a mandatory spend target for closure work for licensees that is proportional to its relative share of their deemed inactive industry liability. Tidewater has met or exceeded this spend target during each year of its involvement in this program.

Sustainability

Tidewater is committed to conducting its business in a way that respects the environment, enhances the health and safety of its employees and communities, and meets stakeholder expectations.

Environmental Stewardship

Tidewater recognizes and values the importance of responsible environmental stewardship and has made significant investments in infrastructure to improve efficiencies and enhance environmental performance. The impact to the environment is a key consideration in how Tidewater designs, constructs and implements its projects. Tidewater's environmental programs focus on preventing environmental impacts and adopting appropriate remediation strategies when required. As part of this commitment, Tidewater strives to conduct its operations in accordance with internally developed environmental operating guidelines and provides its employees with training that includes health, safety, and environmental matters. Tidewater also has systems in place for reporting, tracking, and monitoring its environmental and regulatory key performance indicators. Results are regularly reviewed to evaluate performance, share information with internal groups and identify areas for improvement.

Following the Western Pipeline Transaction, Tidewater has assumed responsibility for an existing Department of Fisheries and Oceans (the "DFO") offset project. This project relates to emergency river training and erosion protection works conducted at the Pine River in BC, including the development and implementation of a habitat offsetting plan. Tidewater is collaborating with the DFO and qualified environmental consultants to develop an acceptable offsetting solution, focusing on instream habitat enhancements that aim to establish deep pool habitats for key species, supported by a multi-year effectiveness monitoring program.

Health and Safety

Tidewater adopts various proactive, preventative measures in its operations to minimize the likelihood of incidents and operational downtime while safeguarding employees, the environment, and the communities in which it operates. Certain highlights include:

- A health, safety and environment ("HS&E") committee is in place to oversee the execution of Tidewater's HS&E program;
- Conducting regular reviews of Tidewater's Health, Safety, Environment and Regulatory Management System and updating as necessary based on corporate trends and/or governing occupational health and safety legislation;
- Implementing Life Saving Rules in an effort to reduce or eliminate the number of high-risk events from taking place;
- Mandating safety training that includes emergency response for all operations-related employees;
- In 2025, Tidewater completed 17 Operational Emergency Response Plan ("ERP") training exercises corporately in addition to regular project level muster and ERP exercises; and
- In 2025, Tidewater achieved a Total Recordable Injury Frequency rate of 0.75 recordable injuries per 200,000 hours.

Indigenous Relations

Tidewater recognizes that it constructs and operates facilities in Indigenous communities. Tidewater's approach towards stakeholder engagement is to work together with Indigenous communities to proactively identify any potential impacts of its activities on the community to develop mutually acceptable solutions and benefits. Tidewater is guided by the following principles in its relationships with Indigenous peoples: respecting the diversity of Indigenous cultures and seeking to understand the customs, values and traditions of Indigenous peoples; being committed to honest, open, ongoing communication with Indigenous communities affected by its operations and engaging in timely and meaningful consultation with these communities; and offering support for strategies intended to encourage development within Indigenous communities, including training, employment, business development and community opportunities related to Tidewater's operational activities.

Governance

Tidewater's management team and Board are committed to the highest ethical standards and governance processes. Tidewater strives for continuous improvement in this area. Tidewater's executive compensation plan is based on a lower

salary component relative to its peers whereby the executive leadership team is heavily incentivized by financial performance and shareholder returns. The Board is comprised of 83% independent directors including one female director representing 17% of the Board.

CAPITAL STRUCTURE OF TIDEWATER

Authorized Shares

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of Preferred Shares, issuable in series, without nominal or par value, of which, as at the date hereof, 21,702,381 Common Shares are outstanding (21,659,231 Common Shares as at December 31, 2025). As of the date hereof, there are no outstanding Preferred Shares.

Common Shares

The holders of Common Shares are entitled, subject to the rights, privileges, restrictions and conditions attached to any Preferred Share, to dividends if, as and when declared by the Board, to one vote per share at meetings of the holders of Common Shares and, subject to the rights, privileges, restrictions and conditions attached to any Preferred Share, upon liquidation, to receive such assets of the Corporation as are distributable to the holders of the Common Shares.

Preferred Shares

The Preferred Shares may be issued in one or more series, and the Board is authorized to fix the number of shares in each series, and to determine the designation, rights, privileges, restrictions and conditions attached to the shares of each series. The Preferred Shares are entitled to a priority over the Common Shares with respect to the payment of dividends and the distribution of assets upon the liquidation of the Corporation.

DIVIDENDS

The amount of dividends to be paid on the Common Shares, if any, is subject to the discretion of the Board and may vary depending on a variety of factors. In addition to the standard legislated solvency and liquidity tests that must be met, Tidewater's ability to declare and pay dividends is also dependent on its compliance with the covenants under the Senior Credit Facility, see "*Other Information Relating to Tidewater's Business – Borrowing*".

In determining the level of dividends to be declared, the Board takes into consideration such factors as current and expected future levels of distributable cash flow (including income tax), capital expenditures, borrowings and debt repayments, changes in working capital requirements and other factors, see "*Risk Factors – Financial Risks – Dividend Risk*".

Dividend History

The table below provides information on dividends declared per Common Share for each of the three most recently completed financial years.

Dividend Record Date	Amount (\$)
September 30, 2023	0.01
June 30, 2023	0.01
March 31, 2023	0.01

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares are listed and posted for trading on the TSX under the symbol "TWM". The following table sets out the price range (monthly high and low sales prices) of the Common Shares and volumes traded for the periods indicated (as reported by the TSX).

Period	High (\$)	Low (\$)	Volume
2025			
January	0.205	0.140	11,795,803
February	0.210	0.115	13,640,255
March	0.270	0.180	12,956,959
April	0.290	0.230	7,244,177
May	0.310	0.165	13,730,597
June	0.220	0.180	6,183,756
July	0.245	0.200	3,039,566
August ⁽¹⁾	0.240	0.200	5,991,738
September	6.420	4.000	655,650
October	6.300	5.360	266,724
November	6.150	4.490	561,410
December	5.350	4.510	687,803

Note:

- (1) The Corporation completed the Consolidation on August 28, 2025.

The 2024 Debentures are listed and posted for trading on the TSX under the symbol “TWM.DB.A”. The following table sets out the price range (monthly high and low sales prices) of the 2024 Debentures and volumes traded for the periods indicated (as reported by the TSX).

Period	High (\$)	Low (\$)	Volume
2025			
January	74.80	60.00	20,880
February	76.99	63.27	25,480
March	79.92	72.00	16,520
April	79.10	77.00	3,160
May	84.00	67.50	15,020
June	75.00	70.00	3,320
July	77.50	72.51	5,820
August	77.50	61.00	13,400
September	83.40	67.00	10,875
October	85.00	80.11	860
November	82.50	74.00	4,850
December	82.00	75.00	6,620

Prior Sales

The following table summarizes the issuances of unlisted securities for the year ended December 31, 2025:

Description of Security	Date Issued	Number / Aggregate Value of Securities Issued ⁽⁴⁾	Issuance/Exercise Price Per Security (\$) ⁽⁴⁾
Restricted Share Units	January 27, 2025	608,670 ⁽¹⁾	N/A
Options	January 27, 2025	462,779 ⁽²⁾	\$3.80
Options	February 7, 2025	12,500 ⁽²⁾	\$4.00

Options	April 8, 2025	15,000 ⁽²⁾	\$5.20
Deferred Share Units	April 8, 2025	33,000 ⁽³⁾	N/A
Restricted Share Units	May 21, 2025	12,500 ⁽¹⁾	N/A
Options	May 21, 2025	12,500 ⁽²⁾	\$4.20

Notes:

- (1) Refers to a restricted share unit granted pursuant to the restricted share unit plan of the Corporation.
- (2) Refers to a stock option granted pursuant to the stock option plan of the Corporation.
- (3) Refers to a deferred share unit granted pursuant to the deferred share unit plan of the Corporation.
- (4) Number of Securities Issued and Prices reflect the Consolidation completed on August 28, 2025.

DIRECTORS AND EXECUTIVE OFFICERS

Directors

The name, municipality of residence, principal occupation during the five preceding years, period of service as a director and committee membership for each of the directors of Tidewater are set out below.

Name, Residence, Principal Occupation During the Five Preceding Years and Period of Service as a Director	Position on Committees of the Board
<p>Thomas Dea <i>Toronto, Ontario, Canada</i></p> <p>Mr. Dea has been a director of Tidewater since August 16, 2022.</p> <p>Mr. Dea is the President and Chief Executive Officer of Kicking Horse Capital Inc., an alternative asset manager, which he founded in 2020. Prior to Kicking Horse Capital Inc., Mr. Dea was a Partner of West Face Capital Inc., alternative asset manager, and Co-Head of the West Face Alternative Credit Fund. Prior thereto, Mr. Dea was a Managing Director of Onex Corporation, private equity firm.</p> <p>Mr. Dea has experience serving on boards and committees of public and private companies and on creditor committees of companies emerging from insolvency protection through his work as an investor in distressed debt securities. In addition to serving as a director of Tidewater, Mr. Dea currently serves as a director of Tidewater Renewables and Premium Brands Holdings Corp.</p> <p>Mr. Dea holds a Master of Business Administration from Harvard Business School and a Bachelor of Arts (Economics) from Yale College.</p>	<p>Chairman</p>
<p>Margaret Raymond <i>Calgary, Alberta, Canada</i></p> <p>Ms. Raymond has been a director of Tidewater since May 25, 2017.</p> <p>Ms. Raymond is an experienced environment, health and safety and human resources professional with many years in the oil and gas industry. Between 2009 and 2020, Ms. Raymond was the President of her own consulting firm where she acted as a consultant and advised corporate boards of directors and executives on operational and environment, health and safety risk management and governance. Ms. Raymond was formerly Vice President Environment, Safety and Social Responsibility with Petro-Canada from 2006 to 2009. In this role, she was responsible for many of Petro-Canada's global programs, including environment, health, employee assistance, safety, aboriginal affairs, security, stakeholder relations, emergency response and crisis management, and corporate responsibility.</p> <p>In addition to serving as a director of Tidewater, Ms. Raymond currently serves as a director of the Canada WaterPortal Society, the Calgary Opera Association and the Centre for Affordable Water and Sanitation Technology, a non-profit that brings clean water to the very poor in 63 countries around the world.</p> <p>Ms. Raymond holds a Master of Public Health, Environmental Health, from the University</p>	<p>Member of the Governance, Compensation, Safety and Sustainability Committee (Chair)</p> <p>Member of the Independence Committee⁽¹⁾</p>

Name, Residence, Principal Occupation During the Five Preceding Years and Period of Service as a Director	Position on Committees of the Board
<p>of California and a Bachelor of Arts in Human Biology from Stanford University. She also holds the Institute of Corporate Directors (ICD.D) designation.</p>	
<p>Michael J. Salamon <i>Toronto, Ontario, Canada</i></p> <p>Mr. Salamon has been a director of Tidewater since May 26, 2020.</p> <p>Mr. Salamon is a Partner and Executive Vice President at Birch Hill, a private equity firm, which he joined in 2000 when the group was still part of TD Capital. He has played key roles in many of Birch Hill's investments, including Anchor Lamina Inc., Atria Networks, Avotus Corporation, BIOX Corporation, Campus Energy Partners, DHX Media, BH Telecom Corp (dba FlexNetworks), Groupe Maskatel, Marsulex Inc., Redwood Infrastructure, and Terrapure BR Ltd. Prior to his time at Birch Hill, Mr. Salamon was Vice President at Harrowston Inc., a Toronto-based publicly traded investment firm.</p> <p>In addition to serving as a director of Tidewater, Mr. Salamon currently serves as a director and Chair of the board of directors of Terrapure BR Ltd., a waste management solutions and environmental services company, a director of Campus Energy Partners, an energy infrastructure and supply company, a director and Chair of the board of directors of BH Telecom Corp (dba FlexNetworks), a fibre-optics networks company, a director and Chair of the board of directors of Iogen Corporation, a low carbon fuel company, and a director and Chair of the board of directors of Redwood Infrastructure, a network and telecom services company. He has also served as a director of various other public and private companies, including Anchor Lamina Inc. (where he also served as the Chair of the board of directors), Atria Networks (where he also served as the Chair of the board of directors), Avotus Corp., BIOX Corporation, DHX Media Ltd. (dba WildBrain), Marsulex Inc., Medwell Capital Corporation and Groupe Maskatel.</p> <p>Mr. Salamon holds a Master of Business Administration (summa cum laude) from the University of Chicago Booth School of Business and a Bachelor of Applied Science (Honours) in Electrical Engineering from the University of Toronto. In addition, Mr. Salamon is a Professional Engineer (P.Eng) and holds a Chartered Financial Analyst (CFA) designation and the Institute of Corporate Directors (ICD.D) designation.</p>	<p>Member of the Audit Committee</p> <p>Member of the Governance, Compensation, Safety and Sustainability Committee</p> <p>Member of the Independence Committee⁽¹⁾</p>
<p>Neil McCarron <i>Toronto, Ontario, Canada</i></p> <p>Mr. McCarron has been a director of Tidewater since May 26, 2020.</p> <p>Mr. McCarron is a Partner at Birch Hill, a private equity firm, which he joined in 2011. He has played key roles in many of Birch Hill's investments, including Terrapure BR Ltd., Campus Energy Partners, Sleep Country Canada, Cozzini Bros. Inc., Hi-Pro Feeds, Inc. and ERCO Worldwide. Prior to Birch Hill, Mr. McCarron was a Senior Consultant with Oliver Wyman in New York, working principally in M&A advisory and operations improvement for the financial services sector.</p> <p>Mr. McCarron has experience working with several public and private companies. In addition to serving as a director of Tidewater, Mr. McCarron currently serves as a director of Campus Energy Partners, an energy infrastructure and supply company, and ERCO Worldwide, a chemical solutions company.</p> <p>Mr. McCarron holds an Honours of Business Administration (with distinction) from the Richard Ivey School of Business at Western University.</p>	<p>Member of the Audit Committee</p> <p>Member of the Governance, Compensation, Safety and Sustainability Committee</p> <p>Member of the Independence Committee⁽¹⁾</p>

Name, Residence, Principal Occupation During the Five Preceding Years and Period of Service as a Director	Position on Committees of the Board
<p>Jeremy Baines <i>Calgary, Alberta, Canada</i></p> <p>Mr. Baines has been a director and the Chief Executive Officer of Tidewater since January 21, 2024. He is also a director and the Chief Executive Officer of Tidewater Renewables.</p> <p>Prior to his time at Tidewater, Mr. Baines was the President and Chief Executive Officer of Campus Energy Partners, an energy infrastructure and supply company, from 2019 to 2024. In 2018, Mr. Baines was the Senior Vice President, Strategic Projects, at AltaGas Ltd., an energy infrastructure company. Prior thereto, Mr. Baines was the Chief Financial Officer of Torq Energy Logistics, a midstream logistics company, from January 2015 to 2017.</p> <p>In addition to serving as a director and Chief Executive Officer of both Tidewater and Tidewater Renewables, Mr. Baines currently serves as a director of Campus Energy Partners, an energy infrastructure and supply company, and has served as a director of various other entities, including Petrogas Energy Corp., Wakeboard and Waterski Alberta, and Parkland Agri Services Corporation.</p> <p>Mr. Baines holds a Master of Business Administration from the University of Alberta and a Bachelor of Science from the University of Lethbridge, as well as a Canadian Institute of Chartered Business Valuators (CBV) designation and a Chartered Professional Accountant (CPA) designation.</p>	<p>Not a member of any committee of the Board</p>
<p>David Smith <i>Seaforth, Ontario, Canada</i></p> <p>Mr. Smith has been a director of Tidewater since March 5, 2024.</p> <p>Mr. Smith currently serves as a director and Chair of the board of directors of Superior Plus Corp., an energy distribution company, a role he has held since August 2014. He also served as a director and Chair of the audit committee of the board of directors of Gran Tierra Energy Inc., an energy exploration and production company, from 2015 to 2026. Prior thereto, Mr. Smith was the managing partner of Enterprise Capital Management Inc., an investment management firm, from 1997 to 2012.</p> <p>Mr. Smith holds an Honours of Business Administration from the University of Western Ontario, as well as a Chartered Financial Analyst (CFA) designation.</p>	<p>Member of the Audit Committee (Chair)</p> <p>Member of the Independence Committee⁽¹⁾</p>

Note:

- (1) The Independence Committee is comprised of the directors of the Corporation that do not hold director or officer positions with Tidewater Renewables. The Independence Committee is required pursuant to the governance agreement dated August 18, 2021 between Tidewater Renewables and the Corporation (the “**Governance Agreement**”) and meets to determine material matters related to Tidewater Renewables.

In accordance with the articles of Tidewater, directors are to be elected annually by the Shareholders. Between annual meetings, the Board has the authority to appoint one or more additional directors to serve until the next annual meeting provided that the number of directors so appointed does not exceed 1/3 of the number of directors holding office at the expiration of the last annual meeting.

Officers

The name, municipality of residence, position held and principal occupations during the five preceding years for each of the officers of Tidewater are set out below:

Name and Municipality of Residence	Position with Tidewater	Principal Occupation
<p>Jeremy Baines <i>Calgary, Alberta, Canada</i></p>	<p>Chief Executive Officer and Director</p>	<p>Mr. Baines has been a director and the Chief Executive Officer of Tidewater since January 21, 2024. He is also a director and the Chief Executive Officer of Tidewater Renewables. ⁽¹⁾</p> <p>Prior to his time at Tidewater, Mr. Baines was the President and Chief Executive Officer of Campus Energy Partners, an energy infrastructure and supply company, from 2019 to 2024. In 2018, Mr. Baines was the Senior Vice President, Strategic Projects, at AltaGas Ltd., an energy infrastructure company. Prior thereto, Mr. Baines was the Chief Financial Officer of Torq Energy Logistics, a midstream logistics company, from January 2015 to 2017.</p> <p>In addition to serving as a director and Chief Executive Officer of both Tidewater and Tidewater Renewables, Mr. Baines currently serves as a director of Campus Energy Partners and has served as a director of various other entities, including Petrogas Energy Corp., Wakeboard and Waterski Alberta, and Parkland Agri Services Corporation.</p> <p>Mr. Baines holds a Master of Business Administration from the University of Alberta and a Bachelor of Science from the University of Lethbridge, as well as a Canadian Institute of Chartered Business Valuators (CBV) designation and a Chartered Professional Accountant (CPA) designation.</p>
<p>Ian Quartly <i>Calgary, Alberta, Canada</i></p>	<p>Chief Financial Officer</p>	<p>Mr. Quartly has been the Chief Financial Officer of Tidewater since March 9, 2026 (following his role as interim Chief Financial Officer of Tidewater since May 18, 2025) and the Chief Financial Officer of Tidewater Renewables since April 22, 2024. Mr. Quartly joined Tidewater in 2022.⁽²⁾</p> <p>Prior to his roles at Tidewater and Tidewater Renewables, Mr. Quartly was Director, Accounting and Reporting at Inter Pipeline Ltd., an energy infrastructure company, where he worked from June 2013 to June 2022 in roles with progressively increasing responsibility. Prior to joining Inter Pipeline Ltd. Mr. Quartly worked for KPMG Australia from 2005 to 2013, during which time he earned his Chartered Accountant (CA) designation.</p> <p>Mr. Quartly holds a Bachelor of Business from the University of Technology, Sydney, Australia.</p>
<p>Collin Intrater <i>Calgary, Alberta, Canada</i></p>	<p>Executive Vice President, Chief Legal Officer and Corporate Secretary</p>	<p>Mr. Intrater has been Executive Vice President, Chief Legal Officer and Corporate Secretary of Tidewater since November 22, 2024.</p> <p>Prior to his time at Tidewater, Mr. Intrater was a corporate/commercial and M&A lawyer at Torys LLP, an international business law firm, from 2019 to 2024. His practice was focused on advising clients in the energy and infrastructure industry, including on a wide range of midstream, downstream, power and renewables transactions and commercial projects, as well as general corporate/commercial and corporate governance matters. Mr. Intrater also has experience acting as in-house counsel for public companies, having completed secondments at Cenovus Energy Inc. and Tidewater in 2020 and 2024,</p>

Name and Municipality of Residence	Position with Tidewater	Principal Occupation
		<p>respectively.</p> <p>Mr. Intrater holds a Juris Doctor from Robson Hall, Faculty of Law, at the University of Manitoba, and a Bachelor of Arts from the University of Manitoba.</p>
<p>Jared Gurevitch <i>Calgary, Alberta, Canada</i></p>	<p>Executive Vice President, Midstream Commercial</p>	<p>Mr. Gurevitch has been with Tidewater since 2017 and assumed the role of Executive Vice President, Midstream Commercial of Tidewater as of August 31, 2023.</p> <p>Mr. Gurevitch brings over 10 years of midstream and commodity marketing experience to Tidewater, specifically in respect of natural gas, NGL and sulphur. He is responsible for Tidewater’s commercial and marketing activity related to its midstream business, including gas processing, gas storage and NGL fractionation.</p> <p>Prior to his time at Tidewater, Mr. Gurevitch was part of the ethane and natural gas team at Plains Midstream Canada where he focused on gas supply and commercial activity related to their straddle plant business.</p> <p>Mr. Gurevitch holds a Bachelor of Commerce from the University of Calgary.</p>
<p>Shawn Heaney <i>Calgary, Alberta, Canada</i></p>	<p>Executive Vice President, Planning and Strategy</p>	<p>Mr. Heaney has been with Tidewater since 2021 and assumed the role of Executive Vice President, Planning and Strategy as of August 31, 2023. Mr. Heaney brings over 10 years of capital markets and energy industry experience to Tidewater.</p> <p>Prior to his time at Tidewater, Mr. Heaney was a member of the Energy & Power investment banking team at Bank of America Securities from 2017 to 2021, where he assisted in the execution of various mergers and acquisitions, equity and debt financings. Prior thereto, Mr. Heaney was part of the investment banking group of Macquarie Capital Markets Canada Ltd.</p> <p>Mr. Heaney holds a Bachelor of Commerce, with a concentration in finance and accounting, from the University of Alberta.</p>
<p>Steven Reisinger <i>Calgary, Alberta, Canada</i></p>	<p>Executive Vice President, Midstream Operations</p>	<p>Mr. Reisinger has been with Tidewater since 2022 and assumed the role of Executive Vice President, Midstream Operations as of January 21, 2025.</p> <p>Mr. Reisinger brings over 20 years of experience in the oil and gas industry to Tidewater with vast experience in technical and leadership roles within the upstream and midstream industry. His main responsibilities at Tidewater include midstream engineering and operational matters, including safety, asset integrity, environmental, regulatory compliance and surface, mineral and land related matters.</p> <p>Prior to his time at Tidewater, Mr. Reisinger held various roles with Enerplus Corporation, including digital project manager from 2019 to 2022 and production engineering team lead (Canadian operations) from 2015 to 2019.</p> <p>Mr. Reisinger holds a Bachelor of Science in Mechanical Engineering from the University of Calgary.</p>

Name and Municipality of Residence	Position with Tidewater	Principal Occupation
<p>Matt Millard <i>Prince George, British Columbia, Canada</i></p>	<p>Executive Vice President, Downstream Operations</p>	<p>Mr. Millard has been with Tidewater since 2019 and assumed the role of Executive Vice President, Downstream Operations as of August 31, 2023.</p> <p>Mr. Millard has over 22 years of experience in the energy industry, with the past 17 years focused on refining, process engineering, optimization and operations management. Mr. Millard is primarily responsible for the operation of Tidewater’s downstream assets.</p> <p>Prior to his time at Tidewater, Mr. Millard held various roles with Husky Energy Inc., including General Manager at the PGR prior to Tidewater’s acquisition of the same.</p> <p>Mr. Millard holds a Bachelor of Science in Chemical Engineering from the University of Alberta, as well as a Professional Engineer (P.Eng) designation.</p>
<p>Peter Dykstra <i>Calgary, Alberta, Canada</i></p>	<p>Executive Vice President, Downstream Commercial</p>	<p>Mr. Dykstra has been with Tidewater since 2015 and assumed the role of Executive Vice President, Downstream Commercial as of March 3, 2025.</p> <p>Mr. Dykstra brings over 10 years of experience in the energy industry to Tidewater, specifically in the midstream and downstream sectors with a focus on refined products since 2019. He is responsible for Tidewater’s commercial and marketing activities related to its downstream and refining business.</p> <p>Prior to his time at Tidewater, Mr. Dykstra contracted for MEG Energy and held various roles with junior E&P companies.</p> <p>Mr. Dykstra holds a Bachelor of Commerce with a focus on entrepreneurship from The Kings University.</p>

Notes:

- (1) From January 1, 2025 to December 31, 2025, Mr. Baines provided sixty percent (60%) of his time towards the Corporation, and the remaining forty percent (40%) towards Tidewater Renewables.
- (2) From January 1, 2025 to May 17, 2025, Mr. Quartly provided seventy percent (70%) of his time towards Tidewater Renewables, and the remaining thirty percent (30%) towards the Corporation. From May 18, 2025 to December 31, 2025, Mr. Quartly provided fifty percent (50%) of his time towards the Corporation, and the remaining fifty percent (50%) towards Tidewater Renewables.

Security Holding by Directors and Officers

As at the date hereof, the directors and executive officers, as a group, beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 4,968,827 Common Shares (including the Common Shares held by Birch Hill due to the Birch Hill representatives on the Board), representing approximately 22.9% of the issued Common Shares.

Cease Trade Orders

To the knowledge of management, no director or executive officer as at the date hereof, is or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any corporation (including the Corporation), that (a) was subject to an order that was issued while the director or executive officer 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 director or executive officer 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. For the

purposes hereof, “order” means: (a) a cease trade order; (b) an order similar to a cease trade order; or (c) an order that denied the relevant Corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

Bankruptcies

To the knowledge of management, no director, executive officer of the Corporation or a Shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation (a) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any corporation (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

To the knowledge of management, no director, executive officer or Shareholder holding a sufficient number of securities of the Corporation to materially affect the control of the Corporation (a) has been subject to 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) has incurred any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of the Corporation may be subject to in connection with the operations of the Corporation. In particular, certain directors and officers of the Corporation and its subsidiaries are associated with other reporting issuers or other corporations, including Tidewater Renewables, which may give rise to conflicts of interest with the Corporation.

In accordance with the applicable corporate and securities legislation, directors who have a material interest or any person who is a party to a material contract or a proposed material contract with the Corporation are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, all directors are required to act honestly and in good faith with a view to the best interests of the Corporation. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the applicable corporate and securities legislation.

Insurance Coverage and Indemnification

The Corporation maintains liability insurance for its directors and officers with coverage and terms that are customary for a corporation of its size and industry. In addition, the Corporation has entered into indemnification agreements with its directors and officers. The indemnification agreements generally require that the Corporation indemnify and hold the indemnitees harmless to the greatest extent permitted by law for liabilities arising out of the indemnitees’ service to the Corporation as directors and officers, so long as the indemnitees acted honestly and in good faith with a view to the best interests of the Corporation and, with respect to criminal or administrative actions or proceedings that are enforced by monetary penalty, if the indemnitee had no reasonable grounds to believe that his or her conduct was unlawful. The indemnification agreements also provide for the advancement of defence expenses to the indemnitees by the Corporation.

AUDIT COMMITTEE INFORMATION

Audit Committee Members and Audit Committee Charter

The Audit Committee is appointed annually by the Board. The responsibilities and duties of the Audit Committee are set forth in the Audit Committee Charter, a copy of which is attached hereto as Schedule A. The Audit Committee consists of three members, each of whom is independent and financially literate as defined by National Instrument 52-110 – *Audit*

Committees of the Canadian Securities Administrators (“NI 52-110”).

The following table sets out the relevant education and experience of the members of the Audit Committee:

Name	Relevant Education and Experience
<p>David Smith (Chair)</p> <ul style="list-style-type: none"> • Independent • Financially Literate 	<p>Mr. Smith has been a member and Chair of the Audit Committee since June 14, 2024.</p> <p>Mr. Smith currently serves as a director and Chair of the board of directors of Superior Plus Corp., an energy distribution company, a role he has held since August 2014. He also served as a director and Chair of the audit committee of the board of directors of Gran Tierra Energy Inc., an energy exploration and production company, from 2015 to 2026. Prior thereto, Mr. Smith was the managing partner of Enterprise Capital Management Inc., an investment management firm, from 1997 to 2012.</p> <p>Mr. Smith has extensive experience in investment analysis and management, investment banking, and merger and acquisition advisory services.</p> <p>Mr. Smith holds an Honours of Business Administration from the University of Western Ontario, as well as a Chartered Financial Analyst (CFA) designation.</p>
<p>Neil McCarron</p> <ul style="list-style-type: none"> • Independent • Financially Literate 	<p>Mr. McCarron has been a member of the Audit Committee since June 29, 2020.</p> <p>Mr. McCarron is a Partner at Birch Hill, a private equity firm, which he joined in 2011. He has played key roles in many of Birch Hill’s investments, including Terrapure BR Ltd., Campus Energy Partners, Sleep Country Canada, Cozzini Bros. Inc., Hi-Pro Feeds, Inc. and ERCO Worldwide. Prior to Birch Hill, Mr. McCarron was a Senior Consultant with Oliver Wyman in New York, working principally in M&A advisory and operations improvement for the financial services sector.</p> <p>Mr. McCarron has experience working with several public and private companies. In addition to serving as a member of the Audit Committee of Tidewater, Mr. McCarron currently serves as a member of the audit committee of Campus Energy Partners, an energy infrastructure and supply company, and ERCO Worldwide, a chemical solutions company. In that capacity, he has direct experience overseeing the preparation of annual and interim financial statements, the nature and scope of annual audits, supervising the company’s auditors, overseeing management’s reporting on internal accounting standard, practices, controls and procedures, reviewing and evaluating financial information and accounting systems and procedures, financial reporting and statements and recommending, for board approval, the financial reports and other mandatory disclosure releases containing financial information. Mr. McCarron also has extensive M&A experience which has included conducting rigorous financial due diligence and overseeing the identification and establishment of new finance teams, internal financial controls and hiring of auditors.</p> <p>Mr. McCarron holds an Honours of Business Administration (with distinction) from the Richard Ivey School of Business at Western University.</p>
<p>Michael Salamon</p> <ul style="list-style-type: none"> • Independent • Financially Literate 	<p>Mr. Salamon has been a member of the Audit Committee since January 1, 2025.</p> <p>Mr. Salamon is a Partner and Executive Vice President at Birch Hill, a private equity firm, which he joined in 2000 when the group was still part of TD Capital. He has played key roles in many of Birch Hill’s investments, including Anchor Lamina Inc., Atria Networks, Avotus Corporation, BIOX Corporation, Campus Energy Partners, DHX Media, BH Telecom Corp (dba FlexNetworks), Groupe Maskatel, Marsulex Inc., Redwood Infrastructure, and Terrapure BR Ltd. Prior to his time at Birch Hill, Mr. Salamon was Vice President at Harrowston Inc., a Toronto-based publicly traded investment firm.</p> <p>In addition to serving as a member of the Audit Committee of Tidewater, Mr. Salamon currently serves as a member of the audit committee of Birch Hill, Terrapure BR Ltd., a waste management solutions and environmental services company, Campus Energy Partners, an energy infrastructure and supply company, BH Telecom Corp (dba FlexNetworks), a fibre-optics networks company, Iogen Corporation, a low carbon fuel company, and Redwood Infrastructure, a network and telecom services company. He has also served as a member of the audit committee of various other public companies, including Anchor Lamina Inc., Avotus Corp., DHX Media Ltd. (dba WildBrain) and Marsulex Inc.</p> <p>Mr. Salamon has extensive M&A experience with 32 years in the private equity industry. His</p>

Name	Relevant Education and Experience
	<p>work in private equity has included financial due diligence, oversight and establishment of finance teams, internal financial controls and hiring of auditors. He has direct experience overseeing the preparation of annual and interim financial statements, the nature and scope of annual audits, supervising the company auditors, overseeing management reporting on internal accounting standard, practices, controls and procedures, reviewing and evaluating financial information and accounting systems and procedures, financial reporting and statements and recommending, for board approval, the financial reports and other mandatory disclosure releases containing financial information.</p> <p>Mr. Salamon holds a Master of Business Administration (summa cum laude) from the University of Chicago Booth School of Business, where he received the Center for Research in Security Prices Award for Finance, and a Bachelor of Applied Science (Honours) in Electrical Engineering from the University of Toronto. In addition, Mr. Salamon is a Professional Engineer (P.Eng) and holds a Chartered Financial Analyst (CFA) designation and the Institute of Corporate Directors (ICD.D) designation.</p>

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services, as described in the Audit Committee Charter.

External Auditor Service Fees

The aggregate fees billed to the Corporation and its subsidiaries by external auditors in each of the two fiscal years noted below for audit and other fees are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽¹⁾	Tax Fees ⁽¹⁾	All Other Fees ⁽¹⁾
2025	\$704,000	\$206,000	-	\$54,000
2024	\$847,000	\$278,000	-	\$100,000

Note:

- (1) “**Audit Fees**” are the aggregate fees necessary to perform the annual audit and quarterly reviews of the Corporation and its subsidiaries financial statements billed by the Corporation’s external auditor. “**Audit-Related Fees**” are the aggregate fees billed by the Corporation’s external auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation’s financial statements and are not reported as audit fees. During 2025, the nature of the services comprising such fees was additional assurance services related to asset dispositions and acquisitions, and other additional assurance services. “**Tax Fees**” are the aggregate fees billed by the Corporation’s external auditor for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. “**All Other Fees**” are the aggregate fees billed by the Corporation’s external auditor for products and services other than those described as “Audit Fees”, “Audit Related Fees” and “Tax Fees”. During 2024, the nature of the services comprising such fees was translation services.

Fees billed to Tidewater Renewables

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽¹⁾	Tax Fees ⁽¹⁾	All Other Fees ⁽¹⁾
2025	\$235,000	\$30,000	-	-
2024	\$327,000	\$105,000	-	-

Note:

- (1) “**Audit Fees**” are the aggregate fees necessary to perform the annual audit and quarterly reviews of Tidewater Renewables’ financial statements billed by the Corporation’s external auditor. “**Audit-Related Fees**” are the aggregate fees billed by the Corporation’s external auditor for assurance and related services that are reasonably related to the performance of the audit or review of Tidewater Renewables financial statements and are not reported as audit fees. “**Tax Fees**” are the aggregate fees billed by the Corporation’s external auditor for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. “**All**

Other Fees” are the aggregate fees billed by the Corporation’s external auditor for products and services other than those described as “Audit Fees”, “Audit Related Fees” and “Tax Fees”.

RISK FACTORS

Readers should carefully consider all of the information set out in this AIF before making an investment decision. Readers are cautioned that this summary of risks may not be exhaustive, as there may be risks that are unknown and other risks that may pose unexpected consequences. Further, many of the risks are beyond the Corporation’s control and, in spite of the Corporation’s active management of its risk exposure, there is no guarantee that these risk management activities will successfully mitigate such exposure.

An investment in the Common Shares is highly speculative due to the high risk nature and stage of development of the Corporation’s business.

Generally, the Corporation’s risks fall into two principal categories: (i) operational risks, including legal, regulatory and strategic risks; and (ii) financial risks. These categories are outlined below along with summaries of specific risk factors within each general category. In some instances, risks may fall into both categories. In such cases the Corporation has classified risks based on the primary category in terms of how they affect it. The most significant risks in each category are listed first, based on the Corporation’s current assessment of each risk.

The Corporation continually works to identify and evaluate significant risks and to develop and maintain appropriate strategies to mitigate the impact of potential risks to its business. The Corporation’s approach to risk management is integrated into its overall approach to decision making (both formal and informal) and also includes formal risk reviews with respect to certain matters.

All statements regarding the Corporation’s business should be viewed in light of these risk factors. Investors should consider carefully whether an investment in the Common Shares is suitable for them in light of the information in this AIF and their personal circumstances. If any of the identified risks were to materialize, the Corporation’s business, financial position, results and/or future operations may be materially affected. Additional risks and uncertainties not presently known to the Corporation, or which the Corporation currently deems not to be material, may also have an adverse effect upon the Corporation and the Common Shares.

Operational Risks

Facilities Throughput and Utilization Rates

Some of the Corporation’s facilities, including the PGR, may operate at lower throughputs compared to their respective licensed or operating capacities. This may be due to a multitude of factors, including: declines in production; decisions by producers to delay or shut in production; actual production delivered by customers to Tidewater facilities not aligning with production profiles; operational issues or constraints in certain functional units within the facilities; operating conditions; changes in gas or NGL composition; low commodity prices; infrastructure or service bottlenecks and logistical issues; inventory or market constraints for particular commodities; and other reasons. Several of Tidewater’s facilities are in areas with declining producer activity. There may also be times when facilities experience capacity constraints due to increasing throughput. In certain circumstances, the increased throughput may contribute to operating conditions that are not in line with the operational design of the facility.

The Corporation cannot predict the impact of future economic conditions, fuel conservation measures, alternative fuel requirements, governmental regulation or technological advances in fuel economy and energy generation devices, all of which could reduce the demand for oil, refined products, natural gas and NGLs, thereby potentially reducing utilization rates at the Corporation’s facilities.

The Corporation tries to mitigate these risks through a number of strategies, including: maintaining formal inspection, monitoring and maintenance programs for its equipment and pipelines to assist in maximizing facility availability and operational efficiency; working cooperatively with customers to provide them with comprehensive and competitive service options; pursuing business development initiatives to attract additional volumes; expanding or modifying functional units at certain plants if conditions warrant and/or there is sufficient demand; working with customers to manage inlet volumes; and pursuing projects to improve efficiencies and remove bottlenecks. There is no guarantee any of these strategies will be

effective.

Use of utilization rates to estimate available raw gas processing capacity may be misleading as the ability of individual plant functional units, such as gas treating or NGL recovery, to handle additional raw gas volumes may become a limiting factor particularly if current plant operating conditions or gas composition depart significantly from original plant design operating conditions. Use of throughputs to estimate revenues may be misleading as the Corporation charges different fees for gas streams with different compositions.

Refinery Supply

Tidewater contracts with third parties for the supply of crude oil and other feedstocks to the PGR and for the offtake of refined products from the PGR. Adequate supply and offtake arrangements are a key operational risk for the PGR. An inability to conclude contracts for supply of crude oil or other feedstocks or for the offtake of any stream of refined products from the PGR, or any scheduled or unscheduled interruption in contracted supply or offtake, could have a material adverse effect on Tidewater's business.

The PGR crude supply is predominantly light crude transported by the Western Pipeline, which is owned and operated by Tidewater following the Western Pipeline Transaction. Under various market conditions, the PGR could see variability in its crude deliveries from the Western Pipeline as the capacity on the pipeline fluctuates from time to time based on operating conditions and planned and/or unplanned maintenance. To manage month to month variability, Tidewater has established systems, processes and resources to make the most economic supply decisions within the logistical and operational constraints. Safety of operation is of first priority, with optimization decisions always driven by economics. In addition to the Western Pipeline line capacity, the PGR also has the ability to receive material volumes of crude by truck when economic (primarily when the Western Pipeline is not available).

Refinery Operations

Tidewater owns and operates the PGR. There are risks inherent to the operations and activities of a refinery, including risks related to accidents, natural disasters, availability of crude oil and other feedstocks for use in the PGR, failure to adequately contract with third parties for offtake of products from the PGR or interruptions in offtake, labor and material shortages, failure to follow operating procedures and operate within established operating parameters, direct and indirect risks related to legislative and regulatory requirements, including without limitation, the discharge and management of storm water and processed water, and risks related to local opposition.

Tidewater does not have full control over the supply of power, natural gas, or water to the PGR and, as such, a key operational risk for the PGR is the availability of sufficient power, natural gas, and water supplies to support refinery operations. Large amounts of power, heat by way of natural gas, and large volumes of water are used in the refining of crude oil and even a temporary interruption of power or water could adversely affect operations.

Tidewater contracts with third parties for the supply of crude oil and other feedstocks to the PGR and for the offtake of refined products from the PGR. Adequate supply and offtake arrangements are a key operational risk for the PGR. An inability to conclude contracts for supply of crude oil or other feedstocks or for the offtake of any stream of refined products from the PGR, or any scheduled or unscheduled interruption in contracted supply or offtake, could have a material adverse effect on Tidewater's business.

Reliance on Producer Activity and Long Term Declines

The volumes of natural gas processed through Tidewater's natural gas and NGL midstream infrastructure business and of NGLs and other products transported in the pipelines depend on production of natural gas in the areas serviced by the business and pipelines. Without reserve additions, production will decline over time as reserves are depleted and production costs may rise.

The Corporation's facilities are located in or depend on the WCSB. As a mature basin, production is projected to decline over the long term. Although new technology has allowed producers to access and produce reserves that were previously viewed as uneconomic, it is not clear the extent to which such advances in technology will offset the long-term overall declines. As well, industry activity levels depend upon economic and regulatory conditions that permit and incent producers to explore for and develop reserves. Producers in the areas serviced by the business may not be successful in exploring for

and developing additional reserves, and the gas plants and the pipelines may not be able to maintain existing volumes of throughput. Commodity prices may not remain at a level which encourages producers to explore for and develop additional reserves or produce existing marginal reserves. Lower production volumes will also increase the competition for natural gas supply at gas processing plants which could result in higher shrinkage gas premiums being paid to natural gas producers. The Corporation cannot predict the impact of future economic conditions on the energy and petrochemical industries or future demand for and prices of natural gas, NGLs, crude oil and other products. These and other factors such as higher development costs or royalties, global and North American commodity inventory levels and infrastructure constraints may discourage further producer exploration and development. A reduction in exploration and development activities or the curtailment of production (whether due to regulatory requirements, market constraints or voluntarily by producers) could result in declines in throughput at gas plants, pipelines, terminals and NGL processing facilities.

The rate and timing of production from proven natural gas reserves tied-in to the gas plants are at the discretion of the producers and are subject to regulatory constraints. The producers have no obligation to produce natural gas from these lands. Producers may suspend their drilling programs or shut in production as a result of lower product prices or higher production costs. Where possible, Tidewater attempts to negotiate area dedications or take-or-pay arrangements with producers or negotiate drilling commitments.

Tidewater's natural gas and NGL midstream infrastructure business is connected to various third party pipeline systems. Operational disruptions or apportionment on those third party systems may prevent the full utilization of the business.

There is also risk associated with Tidewater's customers being able to perform their contracted obligations. For example, customers may not comply with their contracted obligations (counterparty risk) or may not deliver volumes consistent with their production profile (volume risk), all of which could adversely affect Tidewater's financial results, including the returns on capital investments.

Over the long term, business will depend, in part, on the level of demand for NGLs and natural gas in the geographic areas in which deliveries are made by pipelines and the ability and willingness of shippers having access or rights to utilize the pipelines to supply such demand. Tidewater cannot predict the impact of future economic conditions, fuel conservation measures, alternative fuel requirements, governmental regulation or technological advances in fuel economy and energy generation devices, all of which could reduce the demand for natural gas and NGLs.

Refining Margin

The financial performance of the PGR is impacted by the relationship, or margin, between refined product prices and the prices of refinery feedstock often referred to as the "crack spread". Refining margins are subject to seasonal factors as production changes to match seasonal demand. Sales volumes, prices, inventory levels and inventory values will fluctuate accordingly. Future refining margins are uncertain and decreases in refining margins may have a negative impact on Tidewater's business. Fluctuations in the price of commodities, associated price differentials and refining margins may impact the value of Tidewater's assets, cash flows and the ability of the Corporation to maintain its current business and to fund potential growth projects. Prolonged periods of commodity price volatility may also negatively impact Tidewater's ability to meet guidance targets and meet all of Tidewater's financial obligations as they become due.

Tidewater uses derivative financial and physical instruments related to the future price of crude oil and fuel products and their relationship with each other, with the intent of reducing volatility in its cash flows due to fluctuations in commodity prices and spreads. Tidewater obtains such hedging through hedging instruments. Such hedging activities may not be effective in reducing the volatility of its cash flows and may reduce Tidewater's earnings, profitability and cash flows. Furthermore, Tidewater may not be able to enter into derivative financial or physical instruments to reduce the volatility of the prices of special products it sells if there is no established derivative market for such products. In addition, Tidewater's hedging activities are subject to the risks that a counterparty may not perform its obligations under the applicable derivative instrument, or if the terms of the derivative instruments are imperfect. Furthermore, refining margins are subject to seasonal factors as production changes to match seasonal demand.

Frac Spread and Commodity Prices

The light crude oil refining, natural gas, NGL and crude oil refined products midstream infrastructure business is exposed to possible price declines between the time Tidewater purchases NGL feedstock and sells NGL products, and to narrowing frac spreads. Frac spread is the difference between the selling prices for NGL products and the input cost of

the natural gas required to produce the respective NGL products, generally expressed in US\$ per U.S. gallon. The frac spread can change significantly from period to period depending on the relationship between crude oil and natural gas prices (the “**frac spread ratio**”), absolute commodity prices, and changes in the Canadian to U.S. dollar foreign exchange rate. There is also a differential between NGL product prices and crude oil prices which can change prices received and margins realized for midstream products separate from frac spread ratio changes. The amount of profit or loss made on the extraction portion of the business will generally increase or decrease with the frac spread. This exposure could result in material variability of cash flow generated by the business, which could negatively affect Tidewater’s business.

Petroleum Products

Tidewater’s business depends to a large extent on a small number of crude oil and other PGR feedstock suppliers, and refined fuel suppliers. An interruption or reduction in the supply of crude oil or petroleum products and services by such suppliers could adversely affect Tidewater’s financial condition. Furthermore, if any of the supply agreements are terminated or end in accordance with their terms, Tidewater may experience disruptions in its ability to supply customers with products until a new source of supply can be secured. Such a disruption may have a material negative impact on Tidewater’s financial condition and its reputation. Additionally, Tidewater cannot ensure that it will be able to renegotiate such agreements or negotiate new agreements on terms favourable to Tidewater.

Reliance on Other Facilities and Third Party Services

The Corporation’s facilities are connected to various third party pipeline systems. These connections are important to the Corporation and its customers as they provide critical transportation routes. In particular, the Corporation’s business also relies on connections to other third party infrastructure, including various pipelines and rail facilities. Risks may be created as a result of lack of alignment between the third party facilities and the Corporation’s facilities. For example, there may be differences in pressures, specifications or capacities which affect operations. As well, there may be issues with respect to scheduling and service delivery by third parties that affect the Corporation’s operations, such as the scheduling and availability of timely and reliable rail service by the railway companies on which the Corporation relies at its rail terminals. As well, operational disruptions, apportionment, regulatory action and other events on third party systems and infrastructure may prevent the full utilization of the Corporation’s facilities, require the Corporation to spend additional capital, or otherwise hamper the Corporation’s business activities.

Tidewater is also impacted by the development or lack of development of pipeline infrastructure providing product egress from the WCSB. Without incremental project egress options, it is possible the pricing differentials and supply/demand dynamics will continue to disadvantage the WCSB which may have an adverse effect on Tidewater’s business.

The Corporation is unable to control operations, events, decisions or regulatory actions with respect to third party facilities making the mitigation of these risks challenging. However, generally speaking, the owners of these facilities have significant financial resources, competent personnel, formal security programs, and well developed operating practices and inspection and maintenance programs. The Corporation is also unable to control regulatory actions that may be taken with respect to third party facilities. Depending on the nature of the regulatory action taken, the Corporation’s commercial operations and business arrangements could be adversely affected, see “*Risk Factors – Operational Risks – Regulatory Compliance, Approvals and Interventions*”.

Reliance on Principal Customers, Operators and Suppliers

Tidewater relies on several significant customers to purchase or transport its products. The Corporation is also a party to various joint operating, processing and other agreements in conjunction with its natural gas processing activities. If for any reason such parties were unable to perform their obligations under the various agreements with Tidewater, the revenue of Tidewater, and the operations of its business could be negatively impacted.

The Corporation enters into many contracts with its customers and suppliers which are often for a defined term or are subject to early termination upon notice. The Corporation also relies on agreements with key customers to underpin capital projects. There is no guarantee that any of the contracts that the Corporation currently has in place will be renewed at the end of their term or replaced with other contracts in the event of early termination. Further, there is a risk that customers or suppliers will be unable to perform their obligations under the contracts. Customers may also seek relief from their contractual obligations or seek to restructure their contractual arrangements. If any of these circumstances were to arise,

the revenue generated by the Corporation could be reduced or capital projects could be suspended. In either case, the Corporation's financial results could be adversely affected. In a low commodity price environment, counterparty risk becomes more significant.

In an effort to minimize the risk of reliance on any single customer or supplier, the Corporation continues to diversify its customer and supplier base and actively continues to explore relationships with existing and potential new customers and suppliers. The Corporation also tries to provide efficient, reliable services and to build on its relationships with producers and others as a way of encouraging existing customers to renew contracts and to attract new customers and suppliers. In spite of these efforts, there is no guarantee that the Corporation will be able to renew or replace existing contracts or enter into new contracts or that existing contracts will generate the expected benefits. The Corporation may also be able to partially mitigate potential losses in some circumstances through the use of business interruption insurance; however, such insurance coverage may not be sufficient to compensate for all such losses or damages, see "*Risk Factors – Financial Risks – Adequacy of Insurance*".

Labour Relations

Approximately 29 employees employed by Tidewater at the BRC are represented by Unifor Local 431 and are subject to the BRC Collective Agreement, which expired on January 31, 2026. Unifor Local 431 served Tidewater with a notice to bargain on October 23, 2025; however, bargaining has not started as of the date of this AIF.

Additionally, approximately 95 employees employed by Tidewater at the PGR are represented by Unifor Local 1997 and are subject to the PGR Collective Agreement, which expired on January 31, 2026. Unifor Local 1997 served Tidewater with a notice to bargain on October 3, 2025; however, bargaining has not started as of the date of this AIF.

Labour disruptions could restrict the ability of the BRC to process natural gas and pipeline operations to operate, as well as the ability of the PGR to produce refined products, and therefore affect the Corporation's financial results. The Corporation intends to commence bargaining with each of Unifor Local 431 and Unifor Local 1997 in the second quarter of 2026; however, the Corporation cannot guarantee that it will be able to successfully negotiate new collective agreements at either facility. Any work stoppages or unbudgeted or unexpected increases in compensation could have a material adverse effect on the Corporation's operations and financial condition. See "*Business of Tidewater – Employees and Labour Relations*".

Price of Emissions Credits

The financial performance of Tidewater, both on its own and through its ownership of Tidewater Renewables, depends in part on the future trading price of BC LCFS Credits, CFR Credits, D4 RINs and California LCFS Credits and the Corporation's and Tidewater Renewables' ability to generate revenue from the sale of renewable fuels with all environmental attributes included therewith or such credits generated alone, as applicable. The Corporation cannot predict with any certainty the future trading price of BC LCFS Credits, CFR Credits, D4 RINs and California LCFS Credits and the profitability of the Corporation may be seriously affected by changes in such prices. The price of BC LCFS Credits, CFR Credits, D4 RINs and California LCFS Credits may be subject to significant volatility.

BC LCFS Credit, CFR Credit, D4 RIN and California LCFS Credit market prices are determined primarily by the supply and demand of BC LCFS Credits, CFR Credits, D4 RINs and California LCFS Credits, respectively, as well as any future expectations thereof. Such prices are affected by numerous factors beyond Tidewater and Tidewater Renewables' control, including, but not limited to, the number of pathways that can generate BC LCFS Credits, CFR Credits, D4 RINs and California LCFS Credits, the number of BC LCFS Credits, CFR Credits, D4 RINs and California LCFS Credits available in the marketplace, the supply of renewable fuels entering BC and sold in BC, the number of competing projects currently operational or planned to enter service that will supply the BC LCFS Credit, CFR Credit, D4 RIN and California LCFS Credit markets with renewable fuels, and the demand for BC LCFS Credits, CFR Credits, D4 RINs and California LCFS Credits.

If BC LCFS Credit, CFR Credit, D4 RIN or California LCFS Credit prices remain at low market levels for a sustained period, or decline further, Tidewater and/or Tidewater Renewables could determine that it is not economically feasible to continue activities. This would result in a significant economic impact on the Corporation. Volatility or decrease in price of BC LCFS Credits, CFR Credits, D4 RINs and California LCFS Credits may have a significant and negative impact on the value of Tidewater Renewables' assets and the financial condition of Tidewater and Tidewater Renewables.

Risks Relating to Ownership of Tidewater Renewables

The Corporation faces certain risks as a majority shareholder of Tidewater Renewables including, without limitation, liquidity risk, commodity price risk (including in respect of the markets for BC LCFS Credits, CFR Credits, D4 RINs, California LCFS Credits and other carbon credits, rebates, tax credits, grants and other incentives), equity risk, credit risk and risks related to changes in environmental regulations, economic, political or market conditions and the regulatory environment. Although the Corporation is able to exert some influence on Tidewater Renewables through its voting rights and a shared services agreement (the “**Shared Services Agreement**”) whereby the Corporation provides certain management and administrative services to Tidewater Renewables, the ability to mitigate these risks is not fully within the Corporation’s control. Tidewater Renewables relies heavily on the revenue generated from the sale of renewable diesel with all environmental attributes included therewith, and the sale of BC LCFS Credits and CFR Credits alone, and if BC LCFS Credit prices, CFR Credit prices, D4 RIN prices and/or California LCFS Credit prices remain at low market levels for a sustained period, or decline further, alternative funding sources will be necessary. Any equity financing required by Tidewater Renewables may result in dilution to the Corporation’s 66% ownership interest in Tidewater Renewables.

Scheduled and Unscheduled Maintenance

The PGR consists of several processing units, each of which is to undergo scheduled maintenance events every four years. One or more of the units may require additional unscheduled downtime for unanticipated maintenance or repairs. Scheduled and unscheduled maintenance reduces Tidewater’s revenues and increases its operating expenses during the period of time that the processing units are not operating and, among other things, could reduce Tidewater’s ability to make payments of debt obligations. Furthermore, material unanticipated costs and delays may be incurred in scheduled and unscheduled maintenance which may negatively impact Tidewater’s results of operations. Turnarounds at the PGR are scheduled to occur every four years. If unsuccessful or delayed, a turnaround could have a material adverse effect on Tidewater’s business.

Fuel Storage and Distribution

Operating fuel storage and distribution terminals and transporting fuel products involve inherent risks including:

- oil spills and other environmental incidents;
- fires, collisions and other catastrophic disasters;
- injuries and loss of life;
- severe damage to and destruction of property and equipment; and
- loss of product and business interruption.

Damage arising from such occurrences may result in fines and significant third party claims or liability under environmental laws and regulations. Tidewater generally maintains insurance to mitigate these types of costs, but there can be no assurance that its insurance would be sufficient to cover the liabilities it might suffer from the occurrence of one or more of the risks described above.

A significant environmental incident involving a release of crude oil, liquid petroleum products, chemicals or other hazardous substances into marine or other environments could result in losses in excess of the insurance coverage currently maintained by Tidewater and could have a material adverse impact on Tidewater’s business.

Operational Hazards

The Corporation’s operations are subject to common hazards of the natural gas (sweet and sour), NGL and crude oil refining and handling business. The operation of Tidewater’s light crude oil refining, natural gas and NGL midstream infrastructure business could be disrupted by natural disasters or other events beyond the control of Tidewater. A casualty occurrence could result in the loss of equipment or life, as well as injury and property damage.

The Corporation also transports volumes of hydrocarbons by rail which may be more prone to accidents and mishaps than pipeline transportation of hydrocarbons. The operation of the Corporation’s assets involves many risks, including the breakdown or failure of equipment, information systems or processes, the performance of equipment at levels below those

originally intended (whether due to declining throughput, misuse, unexpected degradation or design, construction or manufacturing defects), failure to maintain an adequate inventory of supplies or spare parts, operator error, labour disputes, disputes with owners of interconnected facilities and carriers, releases of harmful substances into the environment, spills associated with the loading and unloading of harmful substances onto rail cars and trucks, and catastrophic events such as natural disasters, fires, explosions, derailments, fractures, well blowouts, acts of terrorists and saboteurs, and other similar events, many of which are beyond the control of the Corporation. The occurrence or continuance of any of these events could increase the cost of operating the Corporation's facilities and/or reduce its processing or throughput capacity, or result in damages, claims or fines, all of which could adversely affect the Corporation's operations and financial performance.

Regulatory Compliance, Approvals and Interventions

The Corporation is subject to extensive local, provincial, and federal laws and regulations that require it to obtain registrations, licenses, permits, inspections and other approvals in order to operate, including but not limited to, those relating to emissions to the air, discharges into water, releases of hazardous and toxic substances and remediation of contaminated sites. There is no guarantee that these, or any other, approvals can be obtained on a timely basis, or at all. Delays in processing applications may impact the schedule for capital projects. In some instances, regulatory delays, whether as a result of actions by a regulator or intervention by third parties, may result in project delays, project economics becoming less favourable or, in some cases, projects not proceeding at all. The cost to comply with regulatory requirements can be significant. As well, changes to federal and provincial environmental laws may adversely affect the ability of Tidewater and others to advance projects which could adversely affect Tidewater's growth opportunities. Regulatory uncertainty makes it challenging for industry, including Tidewater, to make investment decisions and forecast compliance obligations (including costs) which compounds the challenges with the investment climate and industry activity in the WCSB, see "*Risk Factors – Operational Risks Changes in Laws*".

Pipelines and facilities can be subject to common carrier and common processor applications and to rate setting by regulatory authorities in the event that agreement on fees or tariffs cannot be reached with producers. To the extent that producers believe processing fees or tariffs respecting pipelines and facilities are too high, they may seek rate relief through regulatory means. The Corporation tries to reduce the likelihood of regulatory intervention by taking industry standards and guidelines into account and by working proactively with various stakeholders and its customers. Rates and tariffs for the Corporation's pipelines and facilities are generally established to recover capital costs and earn a reasonable rate of return on investment. To date, no pipeline or facility operated by the Corporation has ever been declared to be a common carrier or a common processor. Nevertheless, there is no guarantee that the Corporation will be able to avoid challenges to its rates and tariffs. Further, the Corporation may also be adversely affected by regulatory action taken with respect to third party systems and infrastructure, see "*Risk Factors – Operational Risks – Reliance on Other Facilities and Third Party Services*".

Environmental and Public Safety Considerations

The Corporation's activities are regulated by federal, provincial, and municipal environmental legislation, regulations and initiatives, including ones designed to reduce greenhouse gas emissions, which may increase costs and adversely affect Tidewater's operations. This legislation imposes, among other things, restrictions, liabilities and obligations in connection with the handling, use, storage, transportation, treatment and disposal of hazardous substances and waste, and in connection with spills, releases and emissions of various substances into the environment. Environmental risks from the Corporation's operating facilities typically include: air emissions, such as sulphur dioxide, nitrogen oxides, volatile organic compounds, particulate matter and GHGs; potential impacts on land, including land reclamation or restoration following construction; the use, storage or release of chemicals or hydrocarbons; the generation, handling and disposal of wastes and hazardous wastes; and water impacts. Environmental controls including physical design, programs, procedures and processes are in place to assist in managing these risks.

Environmental legislation also requires that facilities, pipelines and other properties associated with the Corporation's operations be operated, maintained, abandoned and reclaimed to comply with changing regulations and standards to the satisfaction of applicable regulatory authorities. Many of the Corporation's facilities are subject to licensing requirements imposed by Alberta Environment and Protected Areas, the AER and/or the BCER. These licenses must be renewed from time to time and there is no guarantee that the licenses will be renewed on the same or similar conditions or at all. In addition, certain types of activities may require the submission and approval of environmental impact assessments or permit applications.

Provincial and federal governments may also take steps to impose stricter regulations and emission limits on greenhouse

gas or other emissions in the near term. If it is determined that emissions exceed permitted limits, regulatory requirements will be triggered that require action to be taken to reduce emission levels to acceptable levels, unless an extension or relaxation is granted. There can be no assurance that any extension of time to achieve compliance would be granted, immediate compliance may not be possible, and failure to comply with current or future regulations could have a material adverse effect on the Corporation's business and financial results. Overall, there is some uncertainty surrounding the impact of environmental laws and regulations on the Corporation's operations, and it is difficult to predict how these laws and regulations may evolve. At this time, the Corporation does not anticipate that it will be affected in a manner materially different than any other comparable midstream business, but it will continue to monitor developments and assess the potential implications.

Given the nature of sour gas, certain public safety and environmental risks are inherent in the handling and gas sweetening processes at the Corporation's facilities. Major equipment failure, a release of toxic substances or a pipeline rupture (including as a result of third party contact or impact to the pipeline) could result in damage to the environment and the Corporation's oil and gas infrastructure, death or injury and substantial costs and liabilities to third parties and the Corporation. Further, if, at any time, appropriate regulatory authorities deem any one of the pipelines or facilities unsafe, they may order it to be shut down.

Commodity storage, refining and transportation activities involve numerous risks that may result in environmental damage or otherwise adversely affect the operations of Tidewater's business. Environmental risks inherent in the storage, refining and transportation of crude oil and other petroleum products include, but are not limited to, accidental spills or releases of crude oil, liquid petroleum products, chemicals or other hazardous substances, including without limitation, storm water and processed water. The occurrence or continuance of such events could result in significant environmental pollution; damage to local property, wildlife populations and natural resources; impairment or suspension of operations at the PGR; modifications to or revocation of existing regulatory approvals; fines; and serious reputational damage to Tidewater, any of which could materially and adversely affect Tidewater's business, prospects, results of operations and/or financial condition.

Competition

Tidewater's Business is subject to competition from other gas processing plants which are either in the general vicinity of the gas plants or have gathering systems that are or could potentially extend into areas served by the gas plants. The pipelines and storage, terminalling and processing facilities are also subject to competition from other pipelines and storage, terminalling and processing facilities in the areas they serve, and the gas products marketing business is subject to competition from other marketing firms. In addition, the PGR has competition from other refiners importing fuels into the greater Prince George region, although this risk is partially mitigated by barriers to entry including lack of infrastructure to displace all PGR volumes.

Producers in Western Canada compete with producers in other regions to supply natural gas and gas products to customers in North America and the natural gas and gas products industry also competes with other industries to supply the fuel, feedstock and other needs of consumers. Such competition may have an adverse effect on the production of natural gas and gas products in Western Canada and, as a result, on the demand for Tidewater's services.

Overall, competition for business opportunities has continued to be aggressive. This competitive dynamic may place downward pressure on expected returns when seeking to negotiate new projects and opportunities or force Tidewater to reduce its fees (and associated) returns in order to retain customers. While the Corporation feels it is well positioned to compete with its peers, the aggressive action by competitors, changes in law, declines in production and a stronger shift in the marketplace to non-hydrocarbon based renewable energy sources could all adversely affect the Corporation's competitive position.

Risks Arising from Co-ownership

Certain of the Corporation's facilities are jointly owned with third parties. Approvals must be obtained from such joint owners for proposals to make capital expenditures regarding such facilities. These approvals typically require that a capital expenditure proposal be approved by at least two or three owners holding a specified percentage of the ownership interests in the relevant facility, usually ranging between 50% and 70%. It may not be possible for the Corporation to obtain the required levels of approval from co-owners of facilities for future proposals for capital expenditures, which may adversely affect the Corporation's ability to expand or improve its existing facilities. In addition, agreements for joint ownership often contain restrictions on transferring an interest in a facility. The most frequent restriction is a right of first refusal

which requires a transferor who is proposing to transfer an interest, to offer such interest on the same commercial terms to the other holders of interests in the facility prior to completing the transfer. Such provisions may restrict the Corporation's ability to transfer its interests in facilities or to acquire a joint venture owner's interests in facilities and may also restrict the Corporation's ability to maximize the value of a sale of its interest.

The Corporation has been increasing its ownership interests at many of its existing gas plants over the years, in many cases becoming the sole owner, in order to mitigate some of the risks arising from co-ownership. However, certain of the Corporation's secondary facilities are joint ventures, and in several of these facilities the Corporation was not appointed or will not be appointed the operator.

As part of the Corporation's effort to minimize the risks associated with co-ownership, the Corporation maintains communication with its co-owners through its participation in operating committees (where possible) and formal decision-making processes such as mail ballots and expenditure approvals. The Corporation also utilizes its knowledge of industry activity and relationships with other owners to mitigate the risk of uncooperative behaviour. However, there is no guarantee that the Corporation will be able to execute its preferred business or operational strategy at facilities which are jointly owned.

In addition, some of the Corporation's facilities are operated by third parties and, therefore, to the extent a third party operator fails to perform its functions efficiently or becomes insolvent, the Corporation's business and operations may be adversely affected. Efforts to mitigate this risk by contracting with competent operators and negotiating appropriate allocation of risk in its contracts may not be effective.

Operating and Capital Costs

Operating and capital costs may vary considerably from current and forecast values and rates and represent significant components of the cost of providing service. In general, as equipment ages, maintenance capital expenditures and maintenance expenses with respect to such equipment may increase over time.

Although operating costs are to be recaptured through the tariffs and fees charged on refined products, natural gas volumes processed and oil and NGLs transported, respectively, to the extent such charges escalate, producers may seek lower cost alternatives or stop production of their natural gas.

Natural Gas and NGL Composition

Each of the Corporation's gas plants is designed to process raw natural gas feedstock within a certain range of composition specifications. The gas plants may require modification to operate efficiently if the composition of the raw gas being processed changes significantly. The configuration of each of the Corporation's gas plants may not be optimal for efficient operation in the future if a change in inlet gas composition is outside a plant's acceptable range of composition specifications.

The Corporation monitors plant throughput, gas composition, third party system performance and industry development activity in the capture areas surrounding its facilities on an ongoing basis. This information is used to assist with ongoing operational decisions, bringing on new production and new customers, evaluating expansion opportunities and assessing opportunities to modify or add new services to accept the inlet gas in the capture areas surrounding its facilities.

The Corporation's NGL facilities are also exposed to risks associated with feedstock composition. If the NGLs handled at these facilities differ in composition or specification from the design of the facilities, there may be operational challenges and additional maintenance activities may be necessary.

Abandonment and Decommissioning

Tidewater is responsible for compliance with all laws and regulations regarding abandonment and decommissioning of Tidewater's Business at the end of their economic life, which abandonment costs may be substantial. A breach of such legislation and/or regulations may result in the imposition of fines and penalties, including an order for cessation of operations at the site until satisfactory remedies are made. It is not possible to estimate reliably the abandonment and reclamation costs since they will be a function of regulatory requirements at the time and the value of the salvaged equipment may be more or less than the abandonment and reclamation costs. Accordingly, the actual costs may exceed current estimates

that are the basis of the asset retirement obligations shown in the Annual Financial Statements. In the future, the Corporation may determine it prudent or be required by applicable laws or regulations to establish and fund one or more reclamation funds to provide for payment of future abandonment and reclamation costs. See also “*Other Information Relating to Tidewater’s Business – Decommissioning, Abandonment and Reclamation Costs*”.

Force Majeure Events

The Corporation’s operations, information systems and demand for its products and services may be vulnerable to substantial loss or damage as a result of certain disruptions and events, including national emergencies, acts of war, acts of terrorism, armed hostilities, terrorism, cyberattacks, diplomatic developments, domestic and global trade disruptions, infrastructure disruptions, civil disobedience or unrest, natural disasters, labour strikes and lock-outs, pandemics and the outbreak of disease or similar events, any of which may have a material adverse effect on Tidewater’s business.

Weather Conditions and Climate Change

Weather conditions and changes to the climate can affect the demand for and price of refined products, crude oil feedstock, natural gas and NGLs. As a result, changes in weather patterns can affect throughput as well as the Corporation’s refined products and NGL marketing activities. For example, colder winter temperatures generally increase demand for natural gas and NGLs used for heating, which tends to result in increased throughput volumes at facilities and higher prices in the marketing business. In its facilities and NGL business, the Corporation tries to position itself to be able to handle increased volumes of throughput and storage at its facilities to meet changes in seasonal demand; however, at any given time, facility and storage capacity is finite. Weather may also affect the operations and projects of the Corporation’s customers and suppliers, thereby influencing the services and products the Corporation provides and/or receives.

Weather conditions and catastrophic events, including, but not limited to, those related to climate change and extreme weather events, including floods, fires, extreme heat and extreme cold, can pose safety concerns for workers and can affect the performance and operation of the Corporation’s facilities. Weather conditions (including those associated with climate change) may also influence the Corporation’s ability to complete capital projects or facility turnarounds on time, potentially resulting in delays, increasing costs of such capital projects and turnarounds, and in some cases, may result in the Corporation being unable to meet its contractual “in service” dates.

Climate Change Regulation and Carbon Tax

GHG, mainly carbon dioxide and methane, are components of the raw natural gas processed and handled at Tidewater’s facilities. In addition, operations at Tidewater’s facilities, require the combustion of fossil fuels in engines, turbines, heaters and boilers, all of which release carbon dioxide, methane and other greenhouse gases. Tidewater’s facilities also use electricity that may be generated at facilities that emit GHGs. These facilities may be impacted by the federal Clean Electricity Regulations which were finalized in December 2024, with certain aspects becoming effective as of January 1, 2025. Moreover, Tidewater is directly or indirectly, subject to or impacted by various GHG related regulations, including GHG reporting requirements and CO₂e emission intensity reduction targets. Emissions intensity refers to the amount of GHG, measured on a CO₂e basis, emitted on a unit of production basis. Two of the primary factors that affect emissions intensity at Tidewater’s facilities are fuel gas consumption and throughput. Lower throughput and higher levels of fuel gas consumption result in higher emission intensities.

Tidewater may be adversely affected by federal, provincial and foreign legislation, regulations, and policies which are aimed at reducing GHG emissions. Such legislation, regulations, or policies may increase costs and adversely affect Tidewater’s operations, particularly at the PGR. There are international agreements (e.g., the Paris Climate Agreement), federal legislation (e.g., the GGPPA) and provincial legislation (e.g., BC’s *Greenhouse Gas Industrial Reporting and Control Act* and Alberta’s TIER) that aim to reduce greenhouse gas emissions. These policies continue to evolve and may become more stringent over time.

These developments may affect Tidewater’s operations by imposing reporting and other regulatory obligations on Tidewater and potentially increasing costs of compliance, costs of supply and the price of petroleum products, which may thereby reduce the demand of such products. In addition, existing and proposed environmental legislation and associated regulations developed by Canadian provinces and the Government of Canada, which require lower Carbon Intensity fuels may result in increased costs. These regulations may negatively affect the marketing of refined petroleum products and may require Tidewater to alter its products or adapt operations to allow it to sell in such jurisdictions. The cost of such

compliance credits may not be able to be passed along to consumers, resulting in lower gross margin to Tidewater on the sale of its products.

The ultimate effect of climate change legislation, regulations, and initiatives on the operations of Tidewater, and the timing of these effects, will depend on several factors. Such factors include, among others, the GHG emission reductions required for industrial sectors, the extent to which Tidewater can adapt its fuel offerings or take advantage of incentive programs including purchasing compliance units on the open market or through auctions, the price and availability of compliance units, and the extent to which Tidewater is able to recover the costs incurred through the pricing of Tidewater's products in the competitive marketplace. Additionally, government efforts to steer the public toward non-petroleum-based fuel dependent modes of transportation may foster a negative perception toward motor fuel or increase costs for Tidewater's product, thus affecting the public's attitude toward petroleum-based fuel and affect its ability to market and sell such product. Any changes to climate change laws, regulations, and initiatives could materially and adversely affect Tidewater's business, prospects, results of operations or financial condition.

Employees and Contractors

A skilled workforce is important to the ongoing success of the Corporation. If the Corporation is unable to attract and retain skilled employees and contractors in variable employment markets, the Corporation's business and operations could be adversely affected. Further, the cost of retaining employees and hiring contractors in some locations can place inflationary pressure on the Corporation's costs.

Given the demand for many of these skilled individuals, the Corporation devotes a significant amount of resources and planning to the recruitment, retention, and training of its employees and contractors to secure the required level of staffing and skills necessary to support its businesses and projects. As a result, the Corporation maintains a relatively good relationship with its employees and tries to cultivate a work environment in which employees have internal growth opportunities. The Corporation also tries to cultivate good relationships with dependable contractors in order to try to benefit from reliability and continuity of service. Nevertheless, if the Corporation is not able to attract skilled employees and contractors, its ability to execute its business plans may be impaired.

Dependence on Key Personnel

The success of Tidewater largely depends on the skills and expertise of its key personnel to manage the overall business and achieve positive margins. The continued success of Tidewater will be dependent on its ability to retain such personnel. Costs associated with retaining key personnel or the loss of services of such key personnel could adversely affect Tidewater's business operations and financial results. Tidewater tries to mitigate the risk of losing key personnel for economic reasons by obtaining expert advice with respect to compensation matters (including salary as well as long and short term incentive plans). Tidewater also participates in industry compensation surveys in order to measure its compensation package against prevailing market rates. Tidewater also places significant emphasis on employee engagement and maintaining a positive corporate culture.

Reliance on Contractors for Refinery Operations

The PGR relies on contractors to conduct some activities onsite (primarily maintenance) and is exposed to risks related to their activities. As a result, the PGR is subject to a number of risks, some of which are outside Tidewater's full control, including:

- negotiating agreements with contractors on acceptable terms;
- reduced control over those activities that are the responsibility of contractors;
- failure of contractors to perform the requirements and obligations under their agreements, including failure to comply with safety systems and standards as well as applicable legal and regulatory requirements; and
- failure of contractors in connection with management of their workforce, labor unrest or other employment issues.

In addition, Tidewater may incur liability to third parties as a result of the actions of its contractors. The occurrence of one or more of these risks could adversely affect Tidewater's results of operations and financial position.

Possible Failure to Realize Anticipated Benefits of Corporate Strategy

Tidewater's corporate strategy will continue to involve the evaluation of new investments, acquisitions and divestitures. Planning and investment analysis is highly dependent on accurate forecasting assumptions and, to the extent that these assumptions do not materialize, financial performance may be lower or more volatile than expected.

Tidewater may choose to divest assets to optimize its operations and financial performance. Tidewater may, however, be unable to sell certain assets or, if Tidewater is able to sell certain assets, it may not receive the optimal or desired amount of proceeds from such asset sales. Additionally, the timing to close any asset sale could be significantly different than Tidewater's expected timeline.

Tidewater may also choose to complete acquisitions of assets or other entities in the future. The success of any future acquisitions will depend, in part, on Tidewater's ability to:

- identify suitable businesses;
- negotiate the purchase of those businesses (or investment in the businesses) on acceptable terms;
- complete the transactions within the expected time frame;
- fund the transaction;
- obtain necessary regulatory, other approvals or required consents of third parties within the expected time frame;
- improve the results of operations of the businesses that it buys and successfully integrate the operations, financial reporting and personnel of acquired business with Tidewater;
- achieve the anticipated synergies in the acquired business or strategic investments;
- retain key employees, customers or suppliers of the acquired business; and
- effectively address any regulatory requirements in connection with such acquisitions.

Tidewater may fail to properly complete any or all of these steps and may also experience other impediments. Tidewater may not be able to find appropriate acquisition targets or, if appropriate targets are found, Tidewater may not be able to close such transactions or integrate the acquired businesses effectively or profitably. Other companies may also be seeking to acquire similar businesses, including companies that may have greater financial resources than Tidewater. Increased competition may reduce the number of successful acquisitions or may lead to unfavourable terms on acquisitions that are successful, including higher purchase prices. If acquisition targets are unavailable or too costly, Tidewater may need to change its business strategy as it relates to acquisitions.

If Tidewater is unsuccessful in implementing its corporate strategy, its financial condition and results of operations could be materially adversely affected. Even if Tidewater is able to make new investments, acquisitions or divestitures on advantageous terms, some new investments, acquisitions and divestitures may not fulfill Tidewater's strategy in a given market due to factors that Tidewater cannot control, such as market position or customer base.

Effective Internal Controls

Effective internal controls are necessary for the Corporation to provide reliable financial reports, manage the Corporation's risk exposure and to help prevent fraud. Although the Corporation undertakes a number of procedures in order to help ensure the reliability of its financial reports, including those imposed on it under Canadian securities laws, the Corporation cannot be certain that such measures will ensure that the Corporation will maintain adequate control over financial processes and reporting. If the Corporation or its independent auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Corporation's financial statements and reduce the trading price of the Common Shares.

Federal Air Quality Management system

The Multi-sector Air Pollutants Regulations ("MSAPR") issued under the CEPA, 1999, seek to protect the environment

and health of Canadians by setting mandatory, nationally-consistent air pollutant emission standards. The MSAPR are aimed at equipment-specific Base-Level Industrial Emissions Requirements (“**BLIERS**”). Nitrogen oxide BLIERS from Tidewater’s non-utility boilers, heaters and reciprocating engines are regulated in accordance with specified performance standards. Tidewater does not anticipate a material impact to existing or future operations as a result of the MSAPR, Canadian Ambient Air Quality Standards (“**CAAQS**”) for nitrogen dioxide, sulphur dioxide, fine particulate matter and ozone were introduced as part of a national Air Quality Management System. Provincial level implementation of the CAAQS may occur at the regional air zone level and air zone management actions may include more stringent emissions standards applicable to industrial sources from approval holders in regions where the Corporation operates that may result in adverse impacts such as but not limited to increased operating costs.

Transportation of Dangerous Goods

Petroleum products, including NGLs and crude oil are subject to regulation under transportation of dangerous goods (“**TDG**”) legislation in Canada and the U.S. Tidewater has a fleet of rail cars that it uses to move these products across Canada and the U.S. Tidewater also leases trucks, has truck loading/off-loading racks at a number of its facilities and also contracts with other companies to provide trucking services for products requiring transport. Because Tidewater ships these products to various locations across North America, it is required to comply with TDG laws in each of these jurisdictions.

When the Corporation loads petroleum products, it may be considered the consignor, in which case it has specific responsibilities under the TDG laws, including the responsibility to ensure that the product is properly classified, the shipment is properly labelled, and the product is loaded in an appropriate tank. The Corporation also owns and operates rail infrastructure and must comply with applicable laws (including TDG laws) relating to the maintenance and inspection of these facilities.

Tidewater may face liability for personal injuries, damage to property, and lost product in the event of an incident involving rail cars or trucks loaded by Tidewater where Tidewater is the consignor or importer of the product, where Tidewater owns the product that is involved in an incident, or where an incident occurs on Tidewater’s proprietary rail infrastructure. As well, under various environmental statutes in both Canada and the U.S., Tidewater could be held responsible for environmental damage caused by hydrocarbons loaded at its facilities or being carried on its leased rail cars. In the event that Tidewater is ultimately held liable for any damages resulting from its activities relating to TDG, for which insurance is not available or increased costs or obligations are imposed on Tidewater as a result of new regulations, Tidewater’s business, operations and financial performance could be adversely affected.

In addition, the Corporation may be exposed to regulatory action in the event that it fails to comply with TDG laws.

The Corporation regularly assesses the risks associated with the transportation of dangerous goods. The risk mitigation measures that the Corporation employs include, among other things: training programs for operational and logistics staff; adoption of general and site-specific procedures for loading/unloading, infrastructure maintenance, testing and product classification; leasing rail cars that comply with current regulatory requirements; engaging with industry associations and regulatory agencies; periodically auditing operations and logistics practices; reviewing insurance requirements and securing appropriate coverage; and, hiring specialists as appropriate to assist. There is no guarantee that these mitigation measures will be effective.

Change in Laws

The Corporation’s business is subject to and affected by numerous regulations on the international, federal, provincial, state and local levels, including energy, environmental, conservation, tax and other regulations relating to the Corporation’s industry. There is no guarantee that laws and administrative policies relating to the Corporation’s industry will not be changed in a manner which could adversely affect the Corporation. Failure to comply with any laws and regulations may result in the assessment of administrative, civil and criminal penalties, the suspension or revocation of operating and environmental permits, the imposition of injunctive relief or both. Moreover, changes in any of these regulations could have a material adverse effect on the Corporation’s business. Changes in government regulations have the potential to significantly increase compliance costs or alter certain aspects of its business plan and thus reduce profitability of current or future operations. The Corporation cannot predict the nature of any future laws or energy policies, nor can it determine what effect additional governmental regulations or administrative policies and procedures could have on the Corporation’s business. Compliance with any such legislation may have a material adverse effect on the Corporation’s business, financial condition and results of operations.

Geopolitical Risk

Geopolitical risk and conflict globally may have a significant and unpredictable impact on the Corporation's business. The ongoing conflicts between Ukraine and Russia and the U.S-Israel and Iran, as well as the global response to these conflicts as it relates to sanctions, trade embargos and military support has resulted in significant uncertainty as well as economic and supply chain disruptions. Should these conflicts go on for an extended period of time, expand beyond its current geographical areas, or should other geopolitical disputes and conflicts emerge in other regions, this could result in material adverse effects to the Corporation.

Indigenous Peoples Consultation and Claims

Some of the Corporation's facilities are located near reserve lands or other lands that have been traditionally used and occupied by Indigenous peoples. Indigenous peoples have claimed Aboriginal Title and rights to a considerable portion of lands in Western Canada. Aboriginal rights and treaty rights are constitutionally protected rights and continue to be interpreted and affirmed by Canadian courts. Government policy relating to consultation and engagement with Indigenous communities (including the requirements that are imposed on industry) continues to evolve. The consultation processes and expectations of parties involved can vary considerably from project to project and between Indigenous communities, which can contribute to process uncertainty, increased costs, delays in receiving required approvals, and potentially, an inability to secure required approvals for some projects.

In Canada, the Crown (federal, provincial and territorial governments) has a duty to consult and, when appropriate, accommodate Indigenous peoples where it contemplates conduct that may adversely impact asserted or established Aboriginal or treaty rights, as confirmed in the Supreme Court of Canada's decision in *Haida Nation v British Columbia (Minister of Forests)*, 2004 SCC 73. Crown actions include, among others, decisions to issue regulatory project approvals, licenses and permits that may adversely impact Aboriginal rights and treaty rights. The Crown may delegate the procedural aspects of the duty to consult and accommodate, where appropriate, to industry proponents, however, the Crown is responsible for ensuring the duty is met. The processes established by regulatory bodies, such as the AER, the British Columbia Energy Regulator, the British Columbia Environmental Assessments Office and the Canada Energy Regulator, often include an assessment of Aboriginal rights and consultation obligations. This is often a major aspect of regulatory permitting processes. If the Crown's duty to consult has not been appropriately discharged relative to the issuance of regulatory approvals required by Tidewater, the issuance of such approvals may be delayed or denied, thereby impacting Tidewater's operations.

Further, the successful assertion of Aboriginal rights or title could have a significant adverse effect on oil and gas development in Alberta and British Columbia, which in turn could have a material adverse effect on the Corporation's business and operations, including the volume of natural gas and NGLs handled through the Corporation's facilities. Additionally, some types of claims may affect or limit the Corporation's ability to secure locations for capital projects.

On June 29, 2021, the Supreme Court of British Columbia in its decision in *Yahey v British Columbia*, 2021 BCSC 1287 ("**Yahey**"), ruled that the Province of BC breached its obligation under Treaty 8 because it authorized the cumulative impacts of activities "associated with oil and gas, forestry, mining, hydroelectric infrastructure, agricultural clearing and other activities" over many years on the traditional territory of the Blueberry River First Nation (the "**BRFN**"). The court found that the actions of the Province diminished the ability of the BRFN to exercise their treaty rights. *Yahey* is the first decision in Canada to recognize that cumulative impacts arising from industrial development can justify a treaty infringement. The decision in *Yahey* called for the Province of British Columbia to pause some development in the area subject to the BRFN's claim pending the results of an investigation into the cumulative impacts in the BRFN's claim area and how to manage and mitigate these impacts. The implications of *Yahey* have also permeated provincial borders. In July of 2022, the Duncan First Nation (the "**DFN**"), a Treaty 8 First Nation in northern Alberta, commenced legal action against the Province of Alberta alleging that the Province unjustifiably infringed on its treaty rights by permitting industrial development on treaty territory. The DFN's arguments mirror the successful arguments presented by the BRFN in *Yahey*.

In response to *Yahey*, on January 19, 2023, the Province of BC announced that it entered into consensus agreements with four Treaty 8 First Nations in northeastern BC. The agreements establish initiatives to protect the Aboriginal and treaty rights of the First Nation signatories, establish how the cumulative impacts of industrial development in this region will be addressed and how to facilitate responsible resource development and economic activity in the northeast of BC. The consensus agreement under which the BRFN is signatory, establishes the joint management of land-use planning between the BRFN and the Province. The agreement, among other things, establishes limits on new oil and gas activities.

Specifically, the agreement protects over 650,000 hectares of BRFN lands that are considered high-value from new petroleum and natural gas and forestry activities. This presents additional risk for the Corporation as it may adversely affect or limit the Corporation's ability to secure locations for projects in the northeastern region of BC that are subject to Treaty 8.

The Blueberry River decision has potentially significant implications on regulatory and operational requirements for industrial development activities in northeast BC and could extend to other areas in Canada where similar claims may be made. The specific impact of the Blueberry River decision on Tidewater's operations in the Treaty 8 area are currently unknown.

To further reconciliation with Indigenous peoples in Canada, the federal government enacted the United Nations Declaration on the Rights of Indigenous Peoples Act (“**UNDRIP Act**”) on June 21, 2021. The legislation affirms the application of the United Nations Declaration on the Rights of Indigenous Peoples (“**UNDRIP**”) in Canadian law and provides a framework for the federal government to develop an action plan to implement UNDRIP, in consultation with Indigenous peoples. On June 21, 2023, the UN Declaration Act Action Plan (the “**UNDRIP Action Plan**”), developed in consultation and cooperation with First Nations, Inuit and Metis from across Canada, was released by the Government of Canada. The UNDRIP Action Plan contains 181 measures aimed at furthering the objectives of UNDRIP with a particular focus at advancing Indigenous self-determination through self-governance. In November 2023, the Superior Court of Quebec in *R. c. Montour*, 2023 QCCS 4154 held that UNDRIP is a binding international instrument and that Section 35(1) of the *Constitution Act*, which recognizes and affirms Aboriginal and treaty rights, “should offer a protection at least as great as that afforded by the UNDRIP.” While the Province has since appealed the Superior Court's decision, it demonstrates how the interpretation and application of UNDRIP by Canadian courts will continue to evolve.

In 2019, the Province of BC enacted the Declaration on the Rights of Indigenous Peoples Act (“**DRIPA**”), which is intended to harmonize provincial laws with UNDRIP. In March of 2022, the Province released its first action plan under DRIPA, which outlines steps that the Province must take over the next five years, in consultation with Indigenous peoples. On September 27, 2023, the British Columbia Supreme Court released its decision in *Gitxaala v British Columbia (Chief Gold Commissioner)*, 2023 BCSC 1680, which is the first case to consider the application and interpretation of DRIPA. The Court clarified that “DRIPA does not implement UNDRIP” into provincial law and further, “does not create justiciable rights.” The Court also concluded that UNDRIP is not presently binding under provincial law in BC as it remains “a non-binding international instrument.” The *Gitxaala* decision may be indicative of how similar legislation may be interpreted by the courts in other Canadian jurisdictions. On June 6, 2022, the Province entered into a historic consent-based agreement under DRIPA with the Tahltan Nation, a First Nation in Northern BC. The agreement governs the Eskay Creek Revitalization Project and provides that the project cannot proceed without consent from the Tahltan Nation. Although this agreement is specific to a particular First Nation and project, it can potentially set a precedent for future engagement among Canadian governments, industry and Indigenous groups with respect to the project approval process.

There have also been differing judicial decisions regarding how Aboriginal title interacts with privately held lands, highlighting the unsettled nature of the law governing this relationship. On August 7, 2025, the British Columbia Supreme Court determined, in *Cowichan Tribes v Canada (Attorney General)*, 2025 BCSC 1490 that Aboriginal title and fee simple interests can co-exist, and proceeded to issue a declaration of Aboriginal title over an area that included private lands. This decision is currently under appeal. On December 11, 2025, the New Brunswick Court of Appeal held, in *J.D. Irving, Limited et al. v Wolastoqey Nation*, 2025 NBCA 129, that a declaration of Aboriginal title is not possible in respect of lands held in fee simple. As this area of law continues to develop, there may be implications for the Corporation's existing assets and for project development in areas subject to Aboriginal title and Aboriginal title claims.

The Corporation is not aware of any claims that have been made by Indigenous peoples in respect of its assets or operations, however, if any such claims arise and are successful, this could have an adverse impact on the Corporation. Such claims may create an expectation of compensation or consideration associated with the Corporation's projects which go beyond historical levels.

To help mitigate the risks described above, the Corporation monitors developments that may affect activities around its facilities and changes in government policy. When appropriate, the Corporation works, directly or indirectly, with Indigenous communities that may possess Aboriginal rights or title where its facilities are located, in the areas affected by the Corporation's ongoing operations and for construction or expansion projects.

Information Technology Systems and Cyber Security

The Corporation utilizes a number of information technology systems for the management of its business and the operation of its facilities. The reliability and security of these systems is critical. If the functionality of these systems is interrupted or fails and cannot be restored quickly, or if the technologies are no longer supported, the Corporation's ability to operate its facilities and conduct its business could be compromised. Further, although the technology systems the Corporation utilizes are intended to be secure, there is a risk that an unauthorized third party could access the systems. Such a security breach could lead to a number of adverse consequences, including but not limited to, the unavailability, disruption or loss of key functionalities within the Corporation's control systems, the inability to safely operate the Corporation's assets and the unauthorized disclosure, modification, corruption or loss of sensitive company information, including trade secrets and confidential business information, customer, supplier or personal information relating to its personnel. The loss or misuse of this information could cause business disruptions, reputational damage, extensive personal injury and third party claims which could negatively impact Tidewater's operations and financial performance.

As a result of the critical nature of energy infrastructure, the industry has experienced an increasing cyber security risk. This risk is especially heightened as a result of Russia's invasion of Ukraine on February 24, 2022 and the continued conflict. The Corporation's business operations could be targeted by individuals or groups seeking to sabotage or disrupt its information technology systems and networks or to steal data. Security breaches of the Corporation's information technology infrastructure, including, cyber-attacks and cyber-terrorism or other failures of the Corporation's information technology infrastructure could result in disruptions to operations, the ability to operate safely, delays, damage to assets, the environment or to the Corporation's reputation, diminished counterparty confidence, lost profits, lost data including, without limitation, the unauthorized release of customer, employee or company data that is crucial to the Corporation's operational security or could adversely affect the ability to deliver and collect on customer bills, increased regulation and other adverse outcomes, including, without limitation, material legal claims and liability or fines or penalties under applicable laws and could adversely affect its business operations and financial results.

The Corporation attempts to prevent such breaches through the implementation of various technology security measures, segregation of control systems from its general business network, engaging skilled consultants and employees to manage the Corporation's technology applications, conducting periodic audits and adopting policies and procedures as appropriate. Additional measures that the Corporation uses to attempt to prevent such breaches include the implementation of various technology security measures, the use of enterprise level security platforms, keeping critical physical systems in a secure/offsite location, the segregation of control systems from its general business network, engaging skilled consultants and employees to manage the Corporation's technology applications, conducting periodic audits, and adopting policies and procedures as appropriate. There is no guarantee that these measures will be effective and the occurrence of a cyber-event could adversely affect the Corporation's business.

At the operational level, Tidewater relies on electronic systems for recording of sales and accumulation of financial data and analytical information. A major failure of computer systems would disrupt the flow of information and could cause loss of data records or corruption of data, which could impact the accuracy of financial reporting and management information and Tidewater's ability to operate its business. These systems are vulnerable to, among other things, damage and interruption from power loss or natural disasters, computer system and network failures, loss of telecommunications services, physical and electronic loss of data, security breaches and computer viruses, which could result in a loss of sensitive business information, systems interruption or the disruption of Tidewater's business operations.

The Corporation is subject to regulations relating to the collection, use, retention, disclosure, security and transfer of personal data. These regulations, and their interpretation and enforcement, continue to evolve and may be inconsistent from jurisdiction to jurisdiction. Complying with emerging and changing privacy and data protection requirements may cause the Corporation to incur substantial costs or require the Corporation to change its business practices. Noncompliance with the Corporation's legal obligations relating to privacy and data protection could result in penalties, fines, legal proceedings by governmental entities or others, loss of reputation, and significant legal and financial exposure and could affect the Corporation's ability to retain and attract counterparties.

Changes in the nature of cyber-threats and/or changes to industry standards and regulations might require the Corporation to adopt additional procedures for monitoring cybersecurity, which could require additional expenses and/or capital expenditures. However, the impact of such regulations is hard to predict at this time. There is significant change, disruption and growth in technology in the current environment. In such an environment, Tidewater may experience an inability to clearly define and prioritize technology requirements and infrastructure design, resulting in ineffective implementation of

new technologies and, an inability to effectively operate and maintain existing infrastructure. The Corporation may not be able to innovate new digital solutions and scalable data infrastructure for digital offerings at the same pace as the larger market solutions that are based on digital design and advanced analytics; and establish organic growth platforms to better understand, target and engage Tidewater's customers. These risks could materially adversely affect Tidewater's operations and its ability to compete in the market.

Construction Project Timing and Cost

Other than the SAF Facility (which is subject to a final investment decision being made), the Corporation has no projects that are currently under development. The successful completion of any future potential project is dependent on a number of factors that are outside the Corporation's control. The timing of completion and capital costs may change depending on many factors including supply, demand, inflation, labour, materials and equipment availability, contractor non-performance, weather conditions, cost of engineering services, and other factors that are out of the Corporation's control. As projects are undertaken, required regulatory approvals may not be obtained, may be delayed or may be obtained with conditions that materially alter the expected return associated with the underlying projects. Moreover, the Corporation may incur financing costs during the planning and construction phases of future projects.

Generally, the cash flows the Corporation expects construction projects to generate will not materialize until after the projects are completed. In addition, construction delays, delays in obtaining the required regulatory approvals, or increased costs associated with capital projects could reduce project returns or prevent the Corporation from meeting the contractual "in service" commitments under any future projects. Further, future projects may be completed behind schedule or in excess of budgeted cost. For example, the Corporation must compete with other companies for the materials and construction services required to complete these projects, and competition for these materials or services could result in significant delays and/or cost overruns. As a result, the cost estimates and completion dates for future projects can change at different stages of the project. Accordingly, actual costs can vary from these estimates and these differences can be significant. Significant cost overruns may adversely affect the economics of particular projects, as well as the Corporation's business operations and financial results. Further, there is a risk that maintenance will be required more often than currently planned or that significant maintenance capital projects could arise that were not previously anticipated.

The Corporation tries to mitigate some of these risks through its implementation of a project delivery system, increasing its focus on validating cost estimating, evaluating its contracting strategies and contractor selection processes, project controls and developing enhancements to its procurement processes. In addition, the Corporation tries to build in reasonable time frames and contingencies into its agreements and project economics.

Conflicts of Interest

There are potential conflicts of interest to which some of the directors and officers of Tidewater may be subject in connection with the operations of Tidewater. Some of the directors and officers are engaged and will continue to be engaged in the midstream infrastructure business on their own behalf and on behalf of other corporations, including on behalf of Tidewater Renewables, and situations may arise where the directors and officers will be in direct competition with Tidewater. Conflicts of interest, if any, which arise will be subject to and be governed by procedures prescribed by the ABCA which require a director or officer of a corporation who is a party to or is a director or an officer of or has a material interest in any person who is a party to a material contract or proposed material contract with Tidewater, to disclose their interest and to refrain from voting on any matter in respect of such contract unless otherwise permitted under the ABCA.

Technological Developments and Changes in Consumer Preferences

New technologies that increase fuel efficiency, reduce consumption or offer reliable and affordable alternative vehicle power sources will reduce consumption and demand of the petroleum-based motor fuels. Tidewater's success depends on its ability to anticipate and respond in a timely manner to changing consumer demands and preferences while continuing to sell products and services that remain relevant to the consumer and thus will positively impact overall gross profit. These technological developments could potentially have a material adverse effect on the Corporation's business if the Corporation does not adapt to changing consumer demands.

Climate change regulation, environmental awareness and new technologies intended to reduce greenhouse gas emissions may create negative sentiment towards fuel products, causing consumers to change their behavior to reduce their consumption of fuel products. Such changes in consumer preferences could result in a decrease in demand for Tidewater's

fuel and convenience products.

Reputational Risk

The Corporation believes its reputation as a reliable and responsible midstream energy services provider is one of its most valuable assets. Maintaining a positive reputation in the eyes of its customers, regulators, communities and the general public is an important aspect of the implementation of the Corporation's business strategy. The Corporation's reputation may be adversely impacted by the actions and activities it undertakes, as well as the activities of its employees. In addition, the Corporation's reputation could be affected by the actions and activities of other companies operating in the energy industry and by general public perceptions of the energy industry, over which the Corporation has no control. For example, negative publicity related to pipeline incidents, unpopular expansion plans or new projects, as well as opposition from organizations opposed to oil and gas, oil sands or pipeline development, including greenwashing claims made by these and other organizations, all have the potential to affect the perception of the Corporation by its stakeholders. The increasing debate and focus on climate change has contributed to increasing negative public sentiment toward the hydrocarbon-based energy sector and higher levels of scrutiny with respect to emissions and overall environmental performance, even where such performance is in compliance with environment laws and regulations. If the Corporation's reputation is diminished, it could result in, among other things: loss of customers; revenue loss; delays in obtaining regulatory approvals with respect to growth projects; increased operating, capital, financing or regulatory costs; lower shareholder confidence; or loss of its social license to operate.

Reputational risk cannot be managed in isolation from other forms of risk. Credit, market, operational, insurance, regulatory and legal risks, among others, must all be managed effectively to safeguard the Corporation's reputation. Damage to the Corporation's reputation could result in negative investor sentiment towards the Corporation, which may result in limiting the Corporation's access to capital, increasing the cost of capital and decreasing the price and liquidity of the Corporation's securities.

Inflation

The general rate of inflation impacts the economic and business environment in which the Corporation operates. In response to sustained, elevated global inflationary pressures resulting from, among other things, spending in relation to the COVID-19 pandemic and the conflict between Ukraine and Russia, major central banks, including the Bank of Canada, increased benchmark interest rates multiple times throughout 2022 and the first three quarters of 2023. While benchmark interest rates began to decrease in 2024 and continued to decrease through 2025 there is no guarantee that they will not be raised again in the future. Increased inflation and economic conditions resulting from governmental attempts to reduce inflation, including the imposition of higher interest rates or wage and price controls, may negatively impact the demand for Tidewater's products and services, increase the cost of inputs, and could, accordingly have a negative effect on the Corporation's business. The imposition of higher interest rates as a result of inflation could negatively impact the Corporation's borrowing costs, which could, in turn, have a negative effect on Tidewater's cash flow and ability to service its debt obligations.

Expansion of Operations

The Corporation's operations and expertise are currently focused primarily on refining and midstream oil and gas activities; however, in the future it is possible that the Corporation could engage in other activities. Expansion of the Corporation's business into new areas may present new risks or significantly increase the exposure to one or more of the existing risks, any of which may adversely affect the Corporation's future operational and financial conditions. To help mitigate this risk, expansion opportunities, whether within the Corporation's core activities or into new activities, are carefully evaluated. The Corporation reviews the criteria it uses to evaluate expansion opportunities based on its assessment of the business environment and fit with the Corporation's business strategy. As appropriate, the Corporation evaluates the need for additional insurance that may be required to address the risk profile associated with any new businesses or expansion of operations.

Exploration and Development of Upstream Assets

The Corporation has acquired certain minor upstream assets and may acquire other upstream assets in connection with future acquisitions. Although the Corporation does not plan at this time to expand its operations to include the exploration and development of such assets, in the event the Corporation does engage in such activities, it will involve the risks normally

associated with the exploration, development and operation of oil and natural gas properties and the drilling of oil and natural gas wells, including encountering unexpected formations or pressures, premature declines of reservoirs, potential environmental damage, blow-outs, cratering, fires and spills, all of which could result in personal injuries, loss of life and damage to property of Tidewater and others. In accordance with customary industry practice Tidewater does maintain insurance coverage, but is not fully insured against all risks, nor are all such risks insurable.

In addition, oil and natural gas exploration is a high-risk venture with uncertain prospects for success and for which even a combination of experience, knowledge and careful evaluation may not be able to overcome. There is no assurance that expenditures made on future exploration or development activities by Tidewater, if applicable, will result in discoveries of oil or natural gas that are commercially or economically possible. It is difficult to project the costs of implementing any exploratory drilling program due to the inherent uncertainties of drilling in unknown formations, the costs associated with encountering various drilling conditions such as overpressured zones and tools lost in the hole, and changes in drilling plans and locations as a result of prior exploratory wells or additional seismic data and interpretations thereof. Even if commercial quantities of petroleum or natural gas are discovered, there is no assurance that production therefrom or development thereof will occur or be profitable. Natural resource prices fluctuate widely and are affected by numerous factors such as inflation, interest rates, demand, transportation constraints, global or regional political and economic crisis and production costs in major producing regions. The aggregate effect of these factors, all of which are beyond Tidewater's control, is impossible to predict. No assurance can be given that commercial accumulations of oil and natural gas will be discovered as a result of the efforts of Tidewater and prospective investors must rely upon the ability, expertise, judgment, discretion, integrity, and good faith of the management of Tidewater in event the Corporation elects to engage in the exploration and development of any of its upstream assets.

Concentration of Assets in the Western Canadian Sedimentary Basin

The Corporation's assets are principally concentrated in Alberta and British Columbia in the WCSB, which leaves the Corporation exposed to the economic conditions of such provinces. The Corporation partially mitigates this risk through a diversity of business activities within the area.

Tariffs and Trade Relations

Recent developments in Canada-U.S. trade relations, including the threat and, in some cases the imposition of tariffs on certain Canadian goods, highlight the uncertainty associated with international trade policy. In addition, the United States Mexico Canada Agreement (the "USMCA"), which requires the three signatory countries to hold a joint review of the agreement every six years, is scheduled for July 1, 2026. As the U.S. remains Canada's primary trading partner, any changes to, or failure by one or more parties to comply with, the USMCA could have a material adverse impact on the Canadian economy, the Canadian oil and natural gas industry and the Corporation. Potential measures could include increased tariffs on Canadian energy exports, restrictions on cross-border supply chains, or additional regulatory barriers to trade.

The continuation or implementation of any tariffs, surtaxes or other restrictive trade measures or countermeasures, including the introduction of regulatory barriers to trade, could have a significant impact on the market for oil and natural gas products, including cost and price volatility, a relative weakening of the Canadian dollar, and increased costs for equipment, infrastructure and maintenance. Any such measures may have a material adverse effect on the Corporation's business, financial condition, results of operations and prospects.

Developments in Canada-U.S. trade relations may also have implications on many of the other risks to which the Corporation is exposed. The extent to which the Corporation's business, financial condition, results of operations and prospects will be affected depends largely on the nature and duration of uncertain and unpredictable events, such as the duration or escalation of the tariffs, the evolution of retaliatory measures, possible fiscal or monetary policy responses, and reactions to ongoing changes by global financial markets.

Unknown Liabilities from Acquisitions

In pursuing acquisitions, Tidewater conducts due diligence on the business or assets being acquired and seeks detailed representations and warranties respecting the business or assets being acquired. Despite such efforts, there can be no assurance that Tidewater will not become subject to undisclosed liabilities or litigation as a result of acquisitions, including but not limited to, undisclosed and unknown liabilities related to any or all of Tidewater's past transactions. In addition,

liabilities may exist which were not discovered during the due diligence process prior to completing such acquisitions. This failure to discover potential liabilities may be due to various factors, such as failure to accurately assess all of the pre-existing liabilities of the operations acquired or vendors failing to comply with applicable laws. If this occurs, Tidewater may be responsible for such liabilities, which could materially and adversely affect Tidewater's business, prospects, results of operations or financial condition.

Financial Risks

Debt Matters

The Corporation relies on debt financing for some of its business activities, including capital and operating expenditures. There are no assurances that the Corporation will be able to refinance any or all of its borrowings at their maturity. In addition, there are no assurances that the Corporation will be able to comply at all times with the covenants applicable under its current borrowings; nor are there assurances that the Corporation will be able to secure new financing that may be necessary to finance its operations and capital growth program. Any failure of the Corporation to secure refinancing, to obtain new financing or to comply with applicable covenants under its borrowings could have a material adverse effect on the Corporation's financial results. Further, any inability of the Corporation to obtain new financing may limit its ability to support future growth.

The Corporation believes that its existing credit facilities will be sufficient for its immediate requirements and has no reason to believe that it will not be able to renew its existing credit facilities or refinance on commercially reasonable terms. However, continued uncertainty in the global economic situation means the Corporation, along with other energy companies, may have restricted access to capital and increased borrowing costs. The Corporation's ability to raise debt is dependent upon, among other factors, the overall state of the capital markets and investor appetite for investments in the energy industry generally and in the Corporation's securities in particular. The ability to make scheduled payments on or to refinance debt obligations depends on the financial condition and operating performance of the Corporation, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond its control. As a result, the Corporation may be unable to maintain a level of cash flow from operating activities sufficient to permit it to pay the principal, premium, if any, and interest on its indebtedness. These conditions could have an adverse effect on the industry in which the Corporation operates and its business, including future operating and financial results. There can be no assurance that the Corporation's cash flow from operating activities will be adequate for future financial obligations or that additional funds will be able to be obtained.

Pursuant to an intercreditor agreement between, among others, Tidewater, the lenders (or agent thereof) under its Senior Credit Facility and the lenders under Tidewater Renewables' Senior Credit Facility (or agent thereof), Tidewater acknowledged and agreed that the lenders under its Senior Credit Facility and the lenders under Tidewater Renewables' Senior Credit Facility may treat Tidewater and Tidewater Renewables (and their respective guarantors) as affiliated and consolidated entities in considering their total exposure, risk rating and capital allocation, or for any other purpose, and may have regard to such considerations with respect to any extension, consent or waiver request or in taking any other discretionary action in respect of Tidewater and Tidewater Renewables (and their respective guarantors). Notwithstanding the foregoing, (i) the Senior Credit Facilities are not cross guaranteed, and (ii) a default under the Tidewater Renewables Senior Credit Facility does not cause a cross default under Tidewater's Senior Credit Facility. Accordingly, the long-term availability of credit under the Senior Credit Facility is, to a certain extent, outside of the Corporation's control and dependent on Tidewater Renewables' financial position, as the lenders under the Senior Credit Facility are expected to treat the Corporation and Tidewater Renewables as affiliates and consolidated entities for purposes of any discretionary action under the Senior Credit Facility for so long as there is a significant degree of connection between the Corporation and Tidewater Renewables, including in respect of the management, administration, strategy and growth of Tidewater Renewables by Tidewater, whether through ownership of Tidewater Renewables Common Shares, co-ownership of assets, by contract, including pursuant to the Governance Agreement or Shared Services Agreement, or otherwise.

Debt Service

Tidewater requires sufficient cash flow in the future in order to service and repay its indebtedness. Tidewater's ability to generate sufficient cash flow to meet these obligations depends on Tidewater's financial condition which is, to a certain extent, subject to global economic, financial, competitive and other factors that may be beyond its control. If Tidewater is unable to obtain future borrowings or generate cash flow from operations in an amount sufficient to service and repay its indebtedness, Tidewater will need to refinance or will be in default under the agreements governing its indebtedness and

could be forced to reduce or delay investments and capital expenditures or to dispose of material assets. Such refinancing or alternative measures may not be available on favourable terms or at all. Due to economic conditions, Tidewater may from time to time have restricted access to capital and increased borrowing costs. The inability to service, repay and/or refinance its indebtedness could have a material adverse effect on Tidewater's business, financial condition, results of operations and cash flows. Furthermore, amounts paid in respect of interest on long-term debt will reduce Tidewater's net income. Variations in interest rates and scheduled principal repayments could result in significant changes in the amount required to be applied to debt service.

Debt Agreements

Tidewater's Senior Credit Facility, including the Delayed Draw Term Facility, and 2024 Debentures limit, among other things, Tidewater's, and certain of its subsidiaries', ability to:

- incur or guarantee additional debt or other obligations, issue certain equity securities or enter into sale and leaseback transactions other than in limited circumstances;
- in certain circumstances, pay dividends on shares or repurchase shares, redeem subordinated debt or make other restricted payments;
- in certain circumstances, hold cash in excess of set amounts;
- issue equity securities of subsidiaries;
- grant certain guarantees or other forms of financial assistance;
- change the nature of their business or operations in any material respect;
- make certain investments or acquisitions over a certain limit;
- create liens on their assets;
- change their fiscal year;
- enter into transactions with affiliates;
- liquidate, dissolve or wind up;
- consolidate, merge or transfer all or substantially all of their assets; and
- transfer or sell assets, including shares of subsidiaries.

Tidewater's Senior Credit Facility also requires Tidewater to maintain specified financial ratios and satisfy specified financial tests. Tidewater's ability to meet these financial ratios and tests can be affected by events beyond Tidewater's control, and Tidewater may be unable to meet those tests. As a result of these covenants, Tidewater's ability to respond to changes in business and economic conditions and to obtain additional financing, if needed, may be significantly restricted, and the Corporation may be prevented from engaging in transactions that might otherwise be considered beneficial to Tidewater. The breach of any of these covenants could result in an event of default under Tidewater's Senior Credit Facility or any future credit agreements.

A failure to comply with the obligations in Tidewater's Senior Credit Facility, including financial ratios and specified financial tests, could result in a default which, if not cured or waived, would permit acceleration of the repayment of the relevant indebtedness as the lenders could elect to declare all amounts outstanding under Tidewater's Senior Credit Facility, including the Delayed Draw Term Facility, to be immediately due and payable and terminate all commitments to extend further credit. Similarly, upon the occurrence of an event of default under the 2024 Debentures, the outstanding principal and accrued interest on the 2024 Debentures may become immediately due and payable. If the lenders were to accelerate the repayment of borrowings, Tidewater may not have sufficient cash to repay balances owing on Tidewater's Senior Credit Facility, including the Delayed Draw Term Facility, as well as its unsecured indebtedness, including the 2024 Debentures, as the acceleration of Tidewater's indebtedness under one agreement may permit acceleration of indebtedness under other agreements that contain cross-default or cross-acceleration provisions. If Tidewater's indebtedness is accelerated and Tidewater is not able to repay its indebtedness or borrow sufficient funds to refinance it, the lenders under Tidewater's Senior Credit Facility could proceed to realize upon the collateral granted to them to secure that indebtedness which could have a material adverse effect on Tidewater's business and financial results. Even if Tidewater is able to obtain new

financing, it may not be on commercially reasonable terms or on terms that are acceptable to Tidewater or may impose financial restrictions and other covenants on it that may be more restrictive than under Tidewater's Senior Credit Facility, including the Delayed Draw Term Facility, or 2024 Debentures. Additionally, if amounts outstanding under Tidewater's Senior Credit Facility, including the Delayed Draw Term Facility, were to be accelerated, or if Tidewater were not able to borrow under Tidewater's Senior Credit Facility, including the Delayed Draw Term Facility, it could become insolvent or be forced into bankruptcy or insolvency proceedings or receivership. Notwithstanding an event of default, there is also no assurance that Tidewater will be able to refinance any or all of Tidewater's Senior Credit Facility, including the Delayed Draw Term Facility, and/or 2024 Debentures at their maturity dates on acceptable terms, or on any basis.

Overall Level of Indebtedness

From time to time, the Corporation may have a significant amount of indebtedness and the Corporation's level of indebtedness could materially and adversely affect it in a number of ways. For example, it could:

- make it more difficult for the Corporation to conduct its operations;
- increase the Corporation's vulnerability to general adverse economic and industry conditions;
- require the Corporation to dedicate a portion of its cash flow from operating activities to service payments on its indebtedness, thereby reducing the availability of the Corporation's cash flow from operating activities to fund working capital, capital expenditures and other general corporate purposes;
- limit the Corporation's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates;
- place the Corporation at a competitive disadvantage compared to its competitors that have less debt; and
- limit the Corporation's ability to borrow additional funds on commercially reasonable terms, if at all, to meet its operating expenses and for other purposes.

Ability to Obtain Sufficient Funding

The Corporation's ongoing activities may not generate sufficient cash flow from operating activities of the Business. The Corporation may require additional external financing and the amount of such financing may be significant. While there are various financing options available to the Corporation, including the sale of new equity, debt or joint ventures, sale of working interests or other alternatives, the Corporation's ability to arrange such financing in the future may depend in part upon the prevailing capital market conditions, as well as the Corporation's business performance. There can be no assurance that the Corporation will be successful in its efforts to arrange additional financing on terms satisfactory to the Corporation or at all. Failure to obtain such financing on a timely basis could cause the Corporation to forfeit interests in certain properties, miss certain acquisition opportunities and reduce or terminate operations. This may have an adverse effect on its financial position. In addition, if the Corporation obtains additional financing by the issuance of shares from treasury, control of the Corporation may change and existing Shareholders may suffer additional dilution.

From time to time the Corporation may enter into transactions to acquire assets. Such transactions may be financed partially or wholly with debt, which may temporarily increase the Corporation's debt levels above industry standards.

Market Price

The trading price of the Common Shares and the 2024 Debentures has been and may continue to be subject to significant fluctuations, which may be based on factors unrelated to the Corporation's financial performance or prospects and beyond the Corporation's control. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. The price of the Common Shares and the 2024 Debentures may also be significantly affected by changes in commodity prices, BC LCFS Credit prices, CFR Credit prices, currency exchange fluctuation or in the Corporation's financial condition or results of operations. Other factors unrelated to the performance of the Corporation that may have an effect on the price of the securities of the Corporation include the following: the extent of analytical coverage by securities research analysts, recommendations by securities research analysts, changes in the economic performance or market valuations of other companies that investors deem comparable to the Corporation, the loss or resignation of members of management or the Board and other key personnel of the Corporation, sales of additional Common Shares, significant acquisitions or business combinations, partnerships,

joint ventures or capital commitments by or involving the Corporation, Tidewater Renewables or its competitors where the Corporation does not realize its anticipated benefits from such transaction, trends, concerns, technological or competitive developments, regulatory changes and other related issues in the oil and natural gas industry, lessening in trading volume and general market interest in the Common Shares and actual or anticipated fluctuations in interest rates.

Market Risk and Marketing Activities

The Corporation enters into contracts to purchase and sell refined products, crude oil feedstock, natural gas, NGLs and crude oil. Many of these contracts are priced at floating market prices. These activities expose the Corporation to market risks resulting from movements in commodity prices between the time volumes are purchased and the time they are sold, from fluctuations in the margins between purchase prices and sales prices, balancing product purchases and sales contracts, and, in some cases, may also expose the Corporation to currency exchange risk. Two significant elements of these contracts include:

- (a) *Product Price* – The prices of the products that are marketed by the Corporation are subject to fluctuations resulting from seasonal demand changes, changes in natural gas, NGL and crude oil markets, and other factors. These exposures could result in variability in the operating income generated by the marketing business unit and the Corporation’s distributable cash flow.
- (b) *Volume* – The Corporation purchases from producers and other customers a substantial volume of NGLs for resale to third parties, including other marketers and end-users. In many circumstances, particularly in the marketing business, purchase and sale contracts are not perfectly matched as they are entered into at different times, locations and values. A producer or supplier could fail to deliver contracted volumes or could deliver in excess of contracted volumes, or a purchaser could purchase less than contracted volumes. Any of these actions could cause the Corporation’s purchases and sales to be unbalanced. While the Corporation attempts to balance its purchases and sales, if its purchases and sales are unbalanced, the Corporation will face increased exposure to commodity price risks and could have increased volatility in its net income and cash flow from operating activities.

Environmental Compliance and Remediation Costs

The Corporation allocates funding for its environmental programs each year. However, there is the risk that unforeseen matters may arise requiring the Corporation to set aside additional funds. Compliance obligations under applicable environmental laws can result in significant costs associated with installing and maintaining pollution controls, fines and penalties resulting from any failure to comply, and potential limitations on operations. Remediation obligations can also result in significant costs associated with the investigation and remediation of contaminated properties. Compliance with environmental legislation and incident response can require significant expenditures. Activities that do not meet regulatory standards or that breach such legislation may result in the imposition of fines, penalties and suspension of operations. It is also possible that increasingly strict environmental and safety requirements could be implemented, which could result in substantial increases in the cost of compliance, including increased capital expenditures and operating expenses. There is also the risk of civil liability for environmental matters.

The Corporation also undertakes remediation projects that are identified through its liability management system as part of its ongoing efforts to manage its environmental risk. However, it is not possible for the Corporation to estimate the amount and timing of all future expenditures related to environmental matters due to various factors, including (i) uncertainties in estimating pollution control and clean-up costs, including at sites where only preliminary site investigation or agreements have been completed; (ii) the potential discovery of new sites or additional information at existing sites; (iii) the uncertainty in quantifying liability under environmental laws that impose joint and several liability on all potentially responsible parties; (iv) the evolving nature of environmental laws and regulations, including the interpretation and enforcement thereof; and (v) the potential for litigation on existing or discontinued assets. Based on current operations and practices, the cost of complying with environmental regulations and the Corporation’s exposure to civil liability for environmental matters have not had and are not expected to have a material adverse effect on its financial results; however, no assurance can be given that such costs will not adversely affect financial results in the future.

Operating, Capital and General and Administrative Costs

Operating and capital costs associated with the Corporation’s facilities represent significant components of the cost of

providing services. These costs may vary considerably from current and forecast values and rates. In general, as facilities age, costs associated with operating and maintaining such facilities may increase over time. In addition, fluctuations in the prices of electricity and fuel can cause significant fluctuations in operating costs.

Maintenance capital requirements and maintenance expenses may vary from year to year depending on such factors as the scheduling of maintenance turnarounds, operating conditions and gas composition. The costs of the Corporation's inspection, monitoring and maintenance programs have been expensed in the period they are incurred. Maintenance turnarounds, and repairs or replacements with enduring value are capitalized rather than expensed in accordance with the Corporation's capitalization policies and applicable accounting standards. Growth capital expenditures vary depending upon available opportunities and financing.

General and administrative costs may vary considerably from current and forecast values as a result of fluctuations in employment markets and the demand for trades which affect compensation that must be paid to attract and retain employees and contractors.

Financial results may be adversely affected if significant increases in operating, capital or general and administrative costs are incurred and not recovered. Although operating costs are usually recovered through the tariffs charged on processing and transportation, some processing arrangements do not permit the flow-through of operating costs. Even at facilities where flow-through arrangements are in place, to the extent the costs charged to producers escalate, they may seek lower cost alternatives or shut-in production of their natural gas.

Counterparty Credit Risk

The Corporation takes on credit risk with respect to its fee-for-service business, the purchase and sale of commodities in its marketing business, as well as other financial contracts into which it enters. In particular, the Corporation is exposed to credit-related losses in the event that counterparties to contracts become insolvent or otherwise fail to fulfill their present or future financial obligations to the Corporation. The majority of the Corporation's accounts receivable are due from entities in the oil and gas business and are subject to normal industry credit risks. With respect to counterparties for financial instruments used for economic hedging purposes, the Corporation attempts to limit its credit risk by dealing with recognized futures exchanges, or investment grade financial institutions, or by adherence to credit policies that significantly reduce overall counterparty credit risk. Management believes these measures reduce the Corporation's overall credit risk; however, there can be no assurance that these processes will protect against all losses from non-performance.

The credit worthiness assessment of a counterparty considers the available qualitative and quantitative information about the counterparty including financial status and external credit ratings. Depending on the outcome of each assessment, the Corporation, in accordance with its credit policy, may: (i) set and adjust limits on exposure to its counterparties, (ii) request collateral/security (i.e. letters of credit, guarantees or other credit enhancements), where appropriate; (iii) require customers to prepay for products or services; and (iv) use contractual arrangements that permit the netting of exposures associated with a single counterparty as well as other remedies. While the Corporation takes active steps to monitor and manage its credit risk, it is possible that credit exposure to counterparties (or any one of them), may result in the Corporation suffering losses, in which case its operations and financial results may be adversely affected.

Future Sales or Issuances of Securities

The Corporation may sell Common Shares or other securities in subsequent offerings. The Corporation may also issue additional securities to finance future activities.

Further, the Corporation may issue Common Shares upon conversion, redemption or maturity of the 2024 Debentures. Additionally, the Corporation may issue Common Shares in connection with the payment of interest on the 2024 Debentures.

The Corporation cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Common Shares. Sales or issuances of a substantial number of Common Shares, or the perception that such sales could occur, may adversely affect the prevailing market price of the Common Shares. With any additional sale or issuance of Common Shares, investors will suffer dilution to their voting power and the Corporation may experience dilution in its earnings per share.

Litigation Risk

The Corporation is, in the course of its business, subject to lawsuits and other claims. In recent years, there has been an increase in climate and disclosure-related litigation against governments as well as companies involved in the energy industry and there is no assurance the Corporation will not be impacted by such litigation, or by other legal proceedings. The Corporation evaluates its exposure to these legal and regulatory proceedings and may establish reserves for the estimated liabilities in accordance with generally accepted accounting principles. The results of these legal proceedings cannot be predicted with certainty. Defense and settlement costs of legal disputes can be substantial, even with claims that have no merit. The Corporation has insurance which may mitigate the impact of a claim upon the financial condition of Tidewater however there is no assurance that the insurance proceeds will be sufficient to cover the costs of the claim or will be available to the Corporation. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding could have an adverse effect on the Corporation's Business, reputation, operating results or financial performance.

Currency Risk

Currency risk arises on financial instruments that are denominated in a foreign currency. The Corporation's functional currency is the Canadian dollar. However, the Corporation may be exposed to foreign currency fluctuations with respect to capital projects, as some equipment and services may be sourced or priced in U.S. dollars. The Corporation's foreign currency risk largely arises from purchasing, handling and sale of natural gas, NGLs, crude oil and renewable feedstocks where sales and purchases are sometimes denominated in or based on U.S. dollars. The Corporation has adopted a risk management policy in relation to its marketing activities, including the exposure to foreign exchange risk associated with these activities.

Interest Rates

The Corporation takes on interest rate risk in association with its debt financing. Interest rates are influenced by Canadian and global economic conditions beyond the Corporation's control. Floating rate debt obligations expose the Corporation to changes in interest payments, which could have an adverse effect on the Corporation's financial results, as variations in interest rates could result in changes in the amount required to service debt.

Adequacy of Insurance

The Corporation currently maintains customary insurance of the types and amounts consistent with prudent industry practice. The Corporation may also purchase additional insurance coverage to cover potential losses during the construction of new infrastructure. In addition, the Corporation maintains director and officer liability coverage consistent with industry practice. The Corporation is not obligated to maintain insurance if it is not available to the Corporation on commercially reasonable terms. Further, there can be no assurance that such insurance coverage will be available in the future on commercially reasonable terms or at commercially reasonable rates. The insurance coverage obtained with respect to the Corporation's business and facilities will be subject to limits and exclusions or limitations on coverage that are considered to be reasonable, given the cost of procuring insurance and current operating conditions. There can be no assurance that the insurance proceeds received by the Corporation in respect of a claim will be sufficient in any particular situation to satisfy the indebtedness of the Corporation or fully protect against catastrophic events or prolonged shutdowns. Losses beyond the scope of the Corporation's insurance coverage could have a material adverse effect on its business, operations and financial performance.

Changes in Tax Legislation

Tax laws may be amended (or its interpretation may change), retroactively or prospectively, resulting in tax consequences that materially differ from those contemplated by the Corporation across the jurisdictions in which the Corporation has operations or sales which may create a risk of non-compliance and re-assessment. While the Corporation believes that its tax filing positions are appropriate and supportable, it is possible that tax authorities may (a) amend tax legislation (or its interpretation may change), or (b) successfully challenge the Corporation's interpretation of tax legislation which may affect the Corporation's estimate of current and future income taxes affecting the financial condition, prospects, and distributable cash flow available to pay dividends to the Corporation's Shareholders.

To help mitigate this risk, the Corporation retains knowledgeable, competent employees and consultants who are

responsible for preparation of tax compliance filings, Canada Revenue Agency audits, quarterly provisions and tax forecasts to aid in predicting timing and the amount of cash taxability. In addition, the Corporation engages external tax counsel and accountants who assist with the review of its tax filings and tax provisions to help the Corporation to comply with applicable legislation.

Dividend Risk

The Corporation does not currently pay dividends and does not currently anticipate paying any dividends on its securities in the near future. The payment of future dividends is not guaranteed and is subject to the performance of the Corporation and its subsidiaries. The Board has the discretion to determine if a dividend will be declared and paid to Shareholders and the amount of such dividend. In determining whether to pay dividends, the Board will take into consideration numerous factors, including current and expected future levels of earnings; cash flow from operating activities; income taxes; maintenance capital expenditures; growth capital expenditures; debt repayments; working capital requirements; current and potential future environmental liabilities; the impact of interest rates and/or foreign exchange rates; crude oil, natural gas and NGL prices; and other factors. The Corporation's short and long term borrowings prohibit the Corporation from paying dividends at any time at which a default or event of default would exist under such debt, or if a default or event of default would exist as a result of paying the dividend, see "*Risk Factors – Financial Risks – Debt Matters*".

If external sources of capital, including borrowings and the issuance of additional Common Shares, become limited or unavailable on commercially reasonable terms, the Corporation's ability to make the necessary capital investments to maintain or expand its business may be impaired. The extent to which the Corporation is required to use cash flow from operating activities to finance capital expenditures or acquisitions may reduce the distributable cash flow available to declare and pay dividends to Shareholders. Dividends may be increased, reduced, suspended or eliminated entirely depending on the Corporation's operations and the performance of its assets and businesses.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings that the Corporation is or was a party to, or that any of the Corporation's property is or was the subject of, since January 1, 2025, that were or are material to the Corporation, and there are no such material legal proceedings that the Corporation knows to be contemplated. For the purposes of the foregoing, a legal proceeding is not considered to be "material" by the Corporation if it involves a claim for damages and the amount involved, exclusive of interest and costs, does not exceed 10% of the Corporation's current assets, provided that if any proceeding presents in large degree the same legal and factual issues as other proceedings pending or known to be contemplated, the Corporation has included the amount involved in the other proceedings in computing the percentage.

No penalties or sanctions material to Tidewater have been imposed by a court or regulatory body, nor has Tidewater entered into a settlement agreement in relation to any securities legislation.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as described elsewhere in this AIF, to the knowledge of Tidewater, there is no material interest, direct or indirect, of: (i) any director or executive officer of the Corporation; (ii) any person or corporation that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Common Shares; or (iii) an associate or affiliate (each, as defined in the *Securities Act* (Alberta)) of any persons or companies referred to above in (i) or (ii), in any transaction within the three years before the date of this AIF that has materially affected or is reasonably expected to materially affect the Corporation.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is TSX Trust Company at its principal office in Calgary, Alberta located at 2110 – 685 Centre Street SW, Calgary, Alberta, Canada T2G 1S5.

MATERIAL CONTRACTS

Other than as set out below, there are no material contracts entered into by Tidewater within the most recently completed financial year, or before the most recently completed financial year but which are still in effect, other than contracts entered into in the ordinary course of business:

1. the registration rights agreement dated May 20, 2020 among Tidewater and Birch Hill Equity Partners Management Inc. and certain of its affiliates (collectively, the “**Birch Hill Investor Group**”) providing the Birch Hill Investor Group with customary demand and piggy back registration rights from and after March 1, 2021 for so long as the Birch Hill Investor Group beneficially owns or exercises control and/or direction over not less than 9.9% of the outstanding Common Shares;
2. the pre-emptive rights agreement dated August 16, 2022 among Tidewater and the Birch Hill Investor Group providing the Birch Hill Investor Group with the right to participate in future offerings of Common Shares or securities convertible or exchangeable into equity or voting securities so as to allow the Birch Hill Investor Group to maintain its percentage ownership interest or to acquire a percentage ownership interest in the Common Shares up to 23%;
3. the trust indenture dated June 4, 2024 among Tidewater and TSX Trust Company as warrant agent providing for the issuance of the 2024 Debentures, see “*General Development of the Business – Three Year History*”;
4. the Fifth Amended and Restated Credit Agreement dated September 12, 2024 among Tidewater and the syndicate of lenders, providing for, amongst other things, an increase in aggregate revolving capacity under the facility to \$175 million and addition of the Delayed Draw Term Facility, see “*General Development of the Business – Three Year History*”.

INTERESTS OF EXPERTS

Deloitte LLP is the Corporation’s independent auditors. Deloitte LLP has advised they are independent with respect to the Corporation within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Alberta.

ADDITIONAL INFORMATION

Additional information, including directors’ and officers’ remuneration and indebtedness, principal holders of Tidewater’s securities and securities authorized for issuance under equity compensation plans, where applicable, will be contained in Tidewater’s information circular for the next annual meeting of Shareholders that involves the election of directors and additional information as provided in Tidewater’s Annual Financial Statements for its most recently completed financial year. Tidewater will provide this information to any person, upon request made to the Chief Financial Officer of Tidewater at Suite 900, 222 – 3rd Avenue S.W., Calgary, Alberta, T2P 0B4. The documents will also be located on SEDAR+ at www.sedarplus.ca.

Additional financial information is provided in the Corporation’s Annual Financial Statements and MD&A for the year ended December 31, 2025, which are also available on SEDAR+.

SCHEDULE A

AUDIT COMMITTEE CHARTER

Role and Objective

The Audit Committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of Tidewater Midstream and Infrastructure Ltd. (the “**Corporation**”) to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, management’s reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for Board of Director approval, the audited financial reports and other mandatory disclosure releases containing financial information. The objectives of the Committee, with respect to the Corporation and its subsidiaries, are as follows:

- (a) To assist directors to meet their responsibilities in respect of the preparation and disclosure of the financial reports of the Corporation and related matters;
- (b) Provide an open avenue of communication among the Corporation’s auditors, financial and senior management and the Board;
- (c) To ensure the external auditors’ independence and review and appraise their performance;
- (d) To increase the credibility and objectivity of financial reports; and
- (e) To strengthen the role of the outside directors by facilitating in depth discussions between directors on the Committee, management and external auditors.

Composition

The Committee shall be composed of at least three individuals appointed by the Board from amongst its members, all of which members will be independent within the meaning of National Instrument 52-110 *Audit Committees* (“**NI 52- 110**”) unless the Board determines to rely on an exemption in NI 52-110. “Independent” generally means free from any business or other direct or indirect material relationship with the Corporation that could, in the view of the Board, reasonably interfere with the exercise of the member’s independent judgment.

All of the members must be financially literate within the meaning of NI 52-110 unless the Board has determined to rely on an exemption in NI 52-110. Being “financially literate” means members have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation’s financial statements.

Unless otherwise appointed by the Committee Chair, the Secretary to the Board shall act as Secretary of the Committee.

A quorum shall be a majority of the members of the Committee.

Meetings

The Committee shall meet at least four times per year and/or as deemed appropriate by the Committee Chair. As part of its job to foster open communication, the Committee will meet at least annually with management and the external auditors in separate sessions.

Agendas, with input from management, shall be circulated to Committee members and relevant management personnel along with background information on a timely basis prior to the Committee meetings.

The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to the Committee members with copies to the Board, the Chief Financial Officer or such other officer acting in that capacity, and the external auditor.

The Chief Executive Officer and the Chief Financial Officer or their designates shall be available to attend at all meetings of the Committee upon the invitation of the Committee.

The Controller, Treasurer and/or such other staff as appropriate to provide information to the Committee shall attend meetings upon invitation by the Committee.

Mandate and Responsibilities

To fulfill its responsibilities and duties, the Committee shall:

- (a) undertake annually a review of this mandate and make recommendations to the Governance, Compensation, Safety and Sustainability Committee as to proposed changes;
- (b) satisfy itself on behalf of the Board with respect to the Corporation's internal control systems, including, where applicable, relating to derivative instruments:
 - (i) identifying, monitoring and mitigating business risks; and
 - (ii) ensuring compliance with legal and regulatory requirements;
- (c) review the Corporation's financial reports, management discussion and analysis (MD&A), any annual earnings, interim earnings and press releases before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial reports), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors; the process should include but not be limited to:
 - (i) reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial reports;
 - (ii) reviewing significant accruals, reserves or other estimates such as the ceiling test calculation;
 - (iii) reviewing accounting treatment of unusual or non-recurring transactions;
 - (iv) ascertaining compliance with covenants under loan agreements;
 - (v) reviewing financial reporting relating to asset retirement obligations;
 - (vi) reviewing disclosure requirements for commitments and contingencies;
 - (vii) reviewing adjustments raised by the external auditors, whether or not included in the financial reports;
 - (viii) reviewing unresolved differences between management and the external auditors;
 - (ix) obtain explanations of significant variances with comparative reporting periods; and
 - (x) determine through inquiry if there are any related party transactions and ensure the nature and extent of such transactions are properly disclosed;
- (d) review the financial reports and related information included in prospectuses, management discussion and analysis (MD&A), information circular-proxy statements and annual information forms (AIF), prior to Board approval;
- (e) with respect to the appointment of external auditors by the Board:
 - (i) require the external auditors to report directly to the Committee;

- (ii) review annually the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Corporation;
 - (iii) obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Corporation and confirming their independence from the Corporation;
 - (iv) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
 - (v) be directly responsible for overseeing the work of the external auditors engaged for the purpose of issuing an auditors' report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting;
 - (vi) review management's recommendation for the appointment of external auditors and recommend to the Board appointment of external auditors and the compensation of the external auditors;
 - (vii) review the terms of engagement of the external auditors, including the appropriateness and reasonableness of the auditors' fees;
 - (viii) when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change;
 - (ix) take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors; and
 - (x) at each meeting, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial reports;
- (f) review all public disclosure containing audited or unaudited financial information before release;
 - (g) review financial reporting relating to risk exposure;
 - (h) satisfy itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information from the Corporation's financial reports and periodically assess the adequacy of those procedures;
 - (i) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation;
 - (j) review annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial reports of the Corporation and its subsidiaries;
 - (k) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors and consider the impact on the independence of the auditors; The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - (i) the aggregate amount of all such non-audit services provided to the Corporation constitutes not more

than 5% of the total amount of revenues paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;

- (ii) such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and
- (iii) such services are promptly brought to the attention of the Committee by the Corporation and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee;

provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee;

- (l) review any other matters that the Audit Committee feels are important to its mandate or that the Board chooses to delegate to it;
- (m) with respect to the financial reporting process:
 - (i) in consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external;
 - (ii) consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting;
 - (iii) consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management;
 - (iv) review significant judgments made by management in the preparation of the financial reports and the view of the external auditors as to appropriateness of such judgments;
 - (v) following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
 - (vi) review any significant disagreement among management and the external auditors regarding financial reporting;
 - (vii) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
 - (viii) review the certification process;
 - (ix) establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
 - (x) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

Authority

Following each meeting, in addition to a verbal report, the Committee will report to the Board by way of providing copies of the minutes of such Committee meeting at the next Board meeting after a meeting is held (these may still be in draft form).

Supporting schedules and information reviewed by the Committee shall be available for examination by any director.

The Committee shall have the authority to investigate any financial activity of the Corporation and to communicate directly with the internal and external auditors. All employees are to cooperate as requested by the Committee.

The Committee may retain, and set and pay the compensation for, persons having special expertise and/or obtain independent professional advice to assist in fulfilling its duties and responsibilities at the expense of the Corporation.