



ATHABASCA OIL CORPORATION SCHEME NO. 10935

LEISMER D54 PERFORMANCE REPORT 2025

JUNE 2026

ATHABASCA
OIL CORPORATION

SUMMARY

- 2025 Highlights and 2026 Activity
- Development Overview
- Subsurface
- Surface Operations
- Regulatory and Compliance

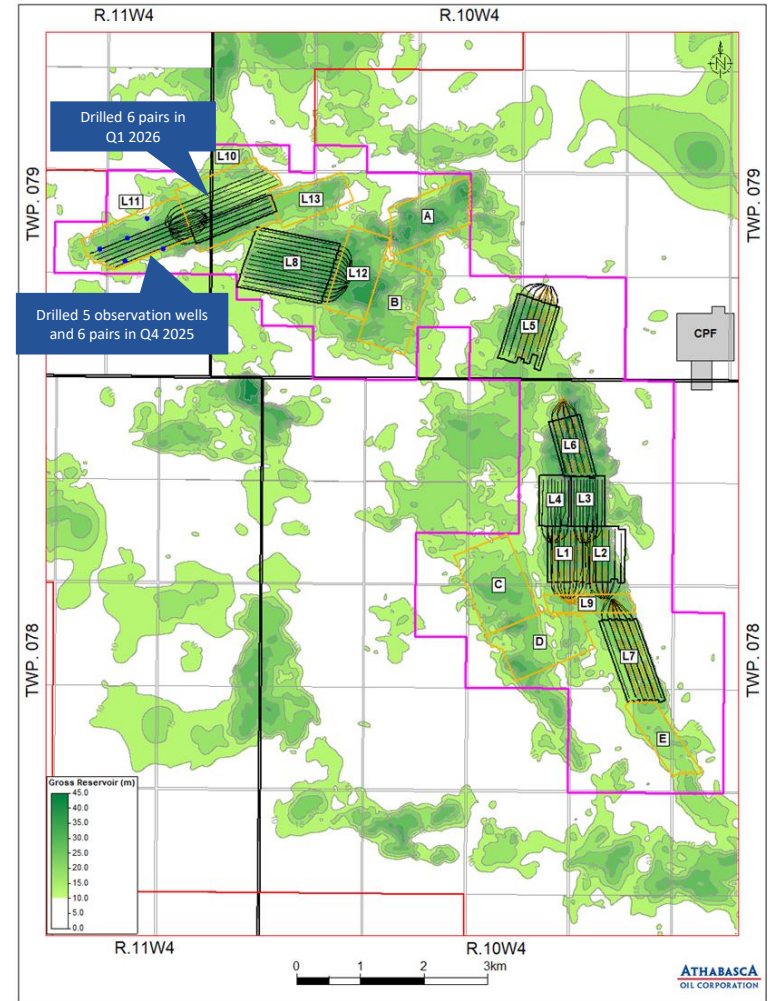
2025 ACTIVITY

- L1 – 6 extended reach (~1,000 – 1,600 m) redrills started production in Q1
 - *IP90 rates of ~60- 150 m³/d (~375 – 950 bbl/d)*
- L10 – 4 well pairs started circulation and production
 - *Initial rates ~1,100 – 1,500 bbl/d*
- L11 – Drilled 5 observation wells in Q1 and 6 new well pairs (1,275 – 1,575 m) in Q4
- Completed structural foundation work and set two new steam generators for 40,000 bbl/d facility expansion
- Acquired 4D on Pad 8 in Q1
- Approval of development area expansion for longer wells at L10 (10935HH)
- Suspended three low-rate wells in 2025 on high-recovery pads (>50% recovery factor)

2026 ACTIVITY

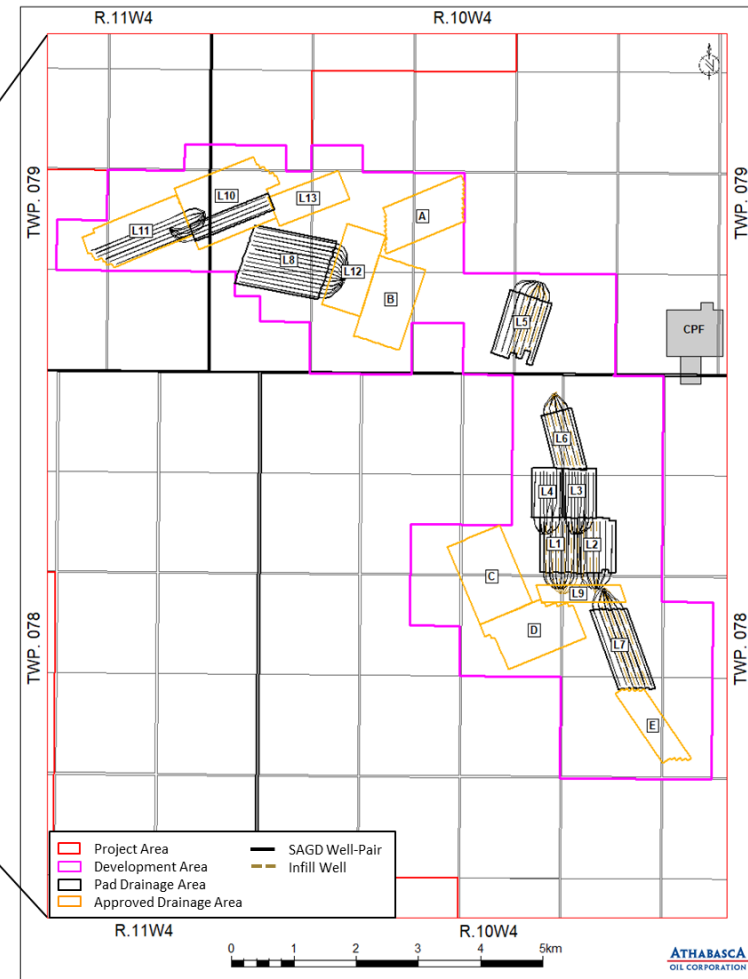
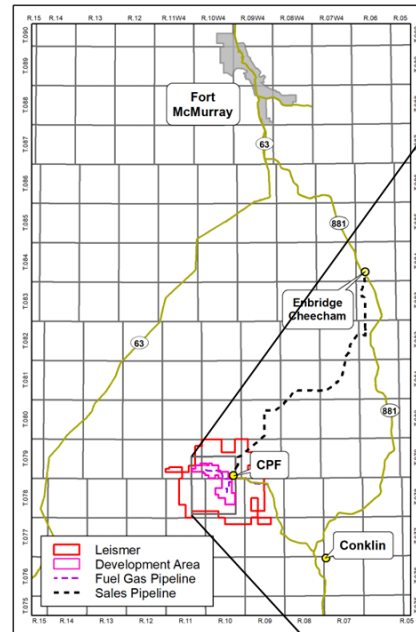
- Continue progressive expansion to 40,000 bbl/d (sanctioned in 2024)
 - *In May conducted a three-week facility outage for scheduled maintenance and tie-in of new equipment for the 40,000 bbl/d expansion*
- Continued drilling longer extended reach well pairs to access more resource
 - *L10 – Drilled 6 new well pairs in Q1 2026*
- Will start steaming 12 new well pairs in Q3 (6 pairs on L11 and 6 pairs on L10); with all wells expected to be converted to production by early 2027
- Continued expanding NCG co-injection for pressure support, SOR management and emissions reduction

DEVELOPMENT MAP



PROJECT DETAILS

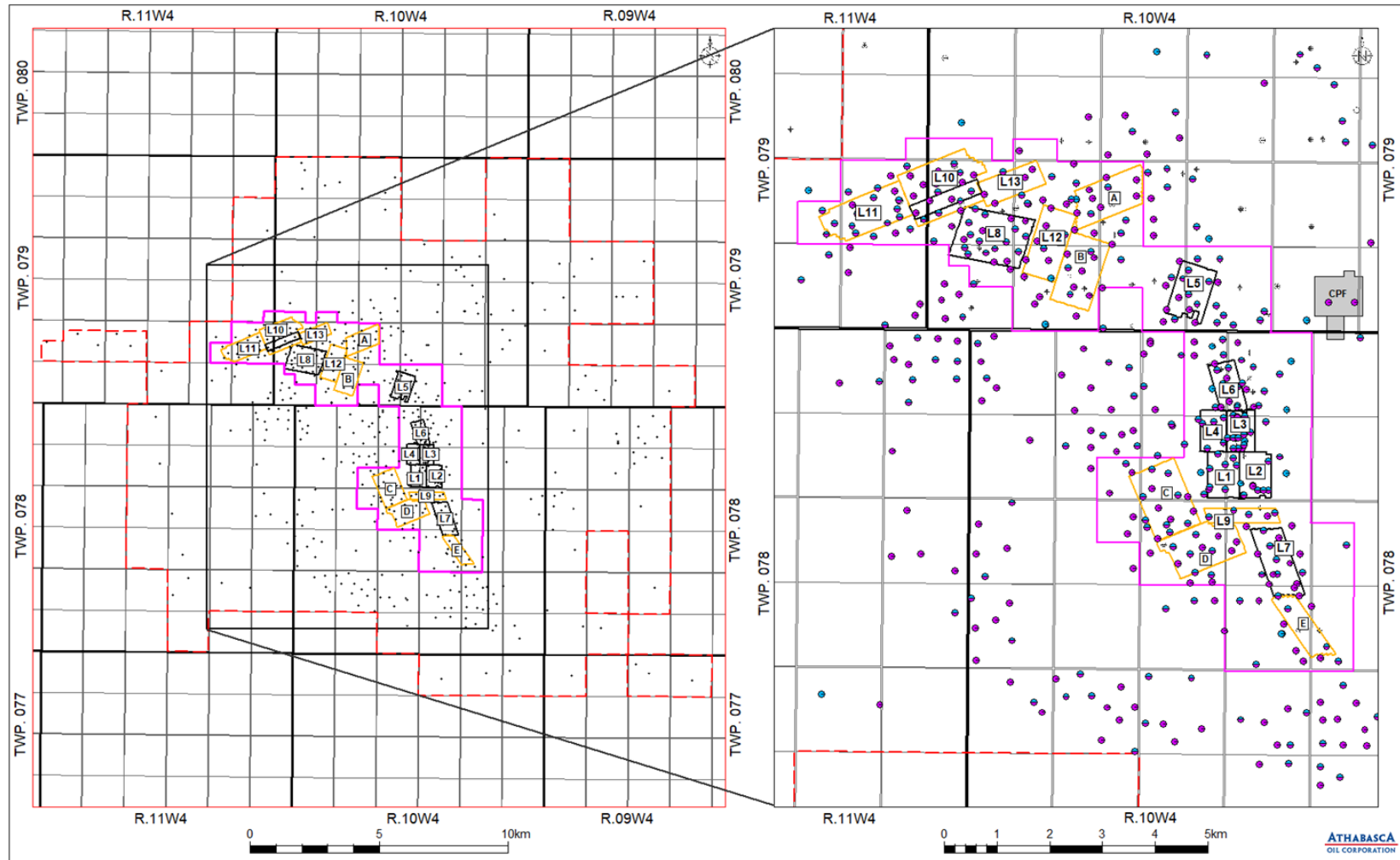
- First steam September 2010
- Approved 40,000 bbl/d processing capacity
- 10 pad drainage areas
 - 64 SAGD well pairs; 21 infills; 9 redrills
- Approved for development
 - L9 (4 well pairs)
 - L10 (15 well pairs)
 - L11 (10 well pairs)
 - L12 (9 well pairs)
 - L13 (7 well pairs)
 - Drainages A – E
- Infrastructure
 - Fuel gas from TransCanada Pipeline (TCPL)
 - Dilbit export to Enbridge Cheecham Terminal
 - Diluent supply from Enbridge Cheecham Terminal





SUBSURFACE

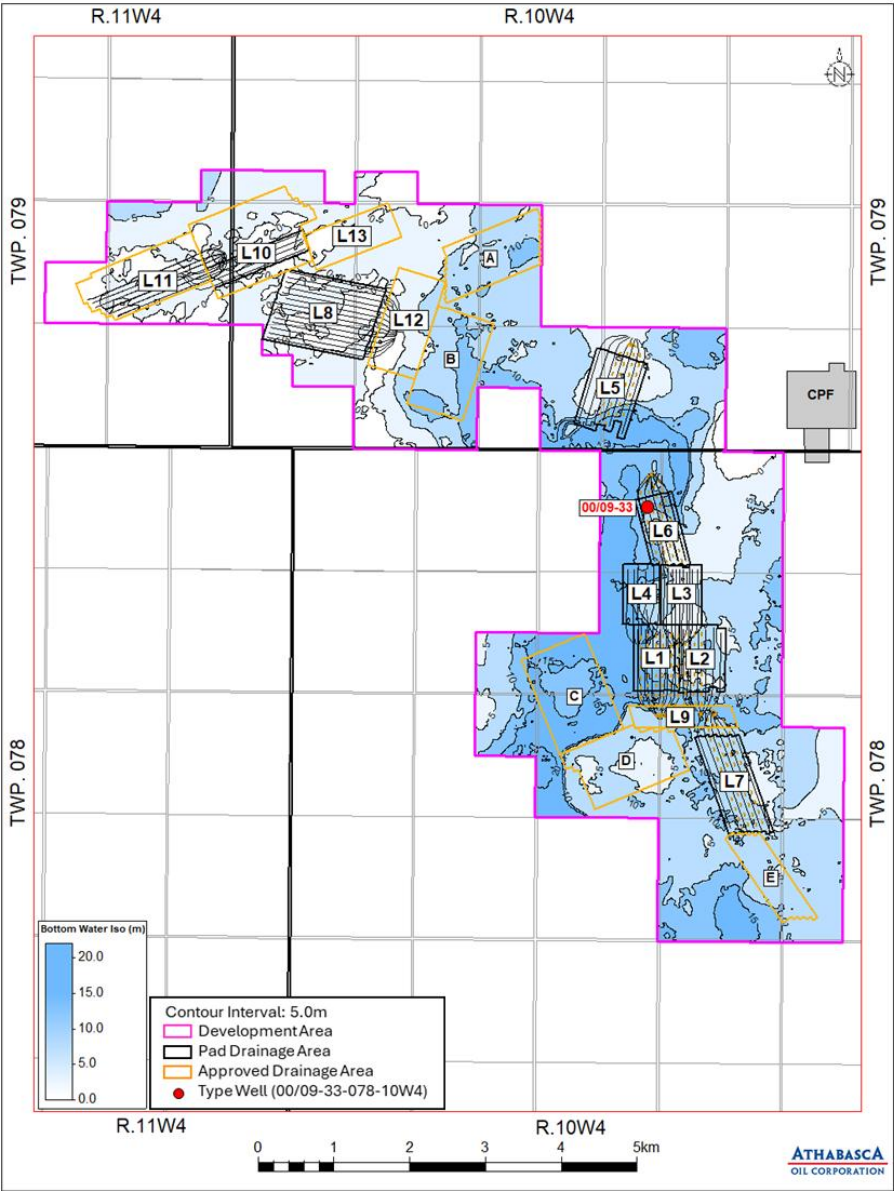
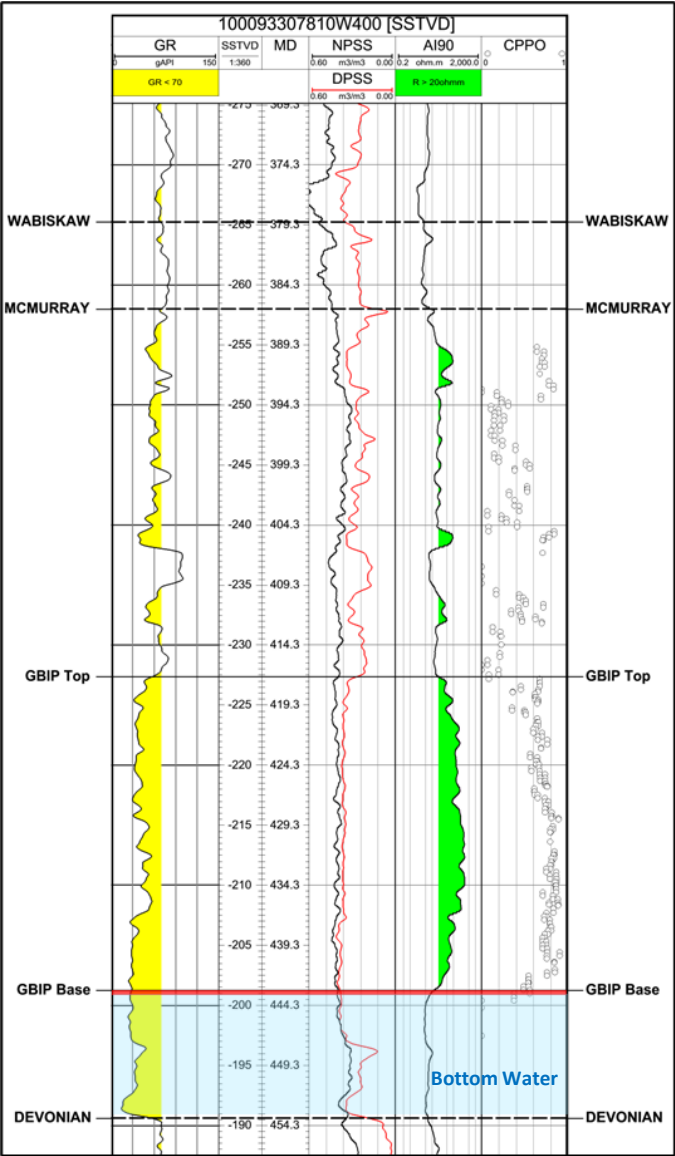
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Area	Area (km ²)	Cored Wells	Image Logs
Lease Area	332	265	469
Development Area	38	169	276

- AOC Lease Area
- Development Area
- Pad Drainage Area
- Approved Drainage Area
- Cored Well
- Image Log(HMI) Well

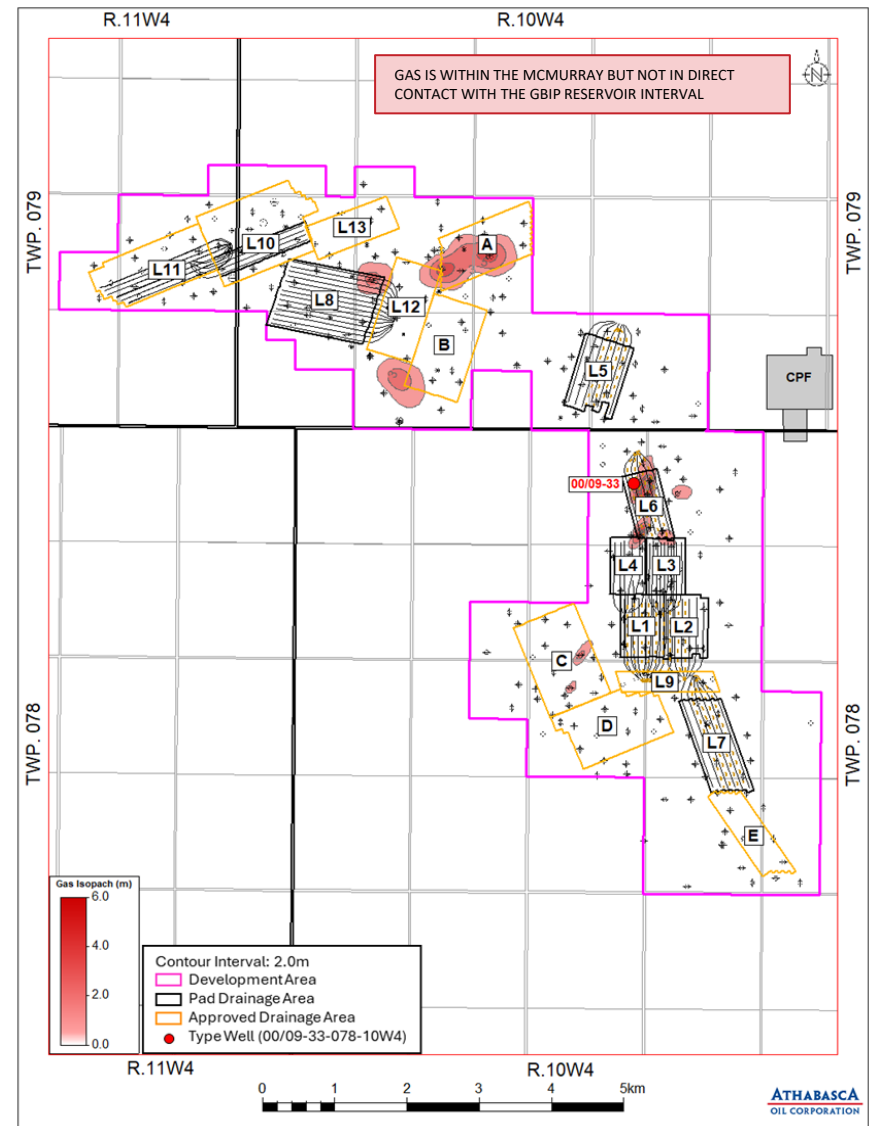
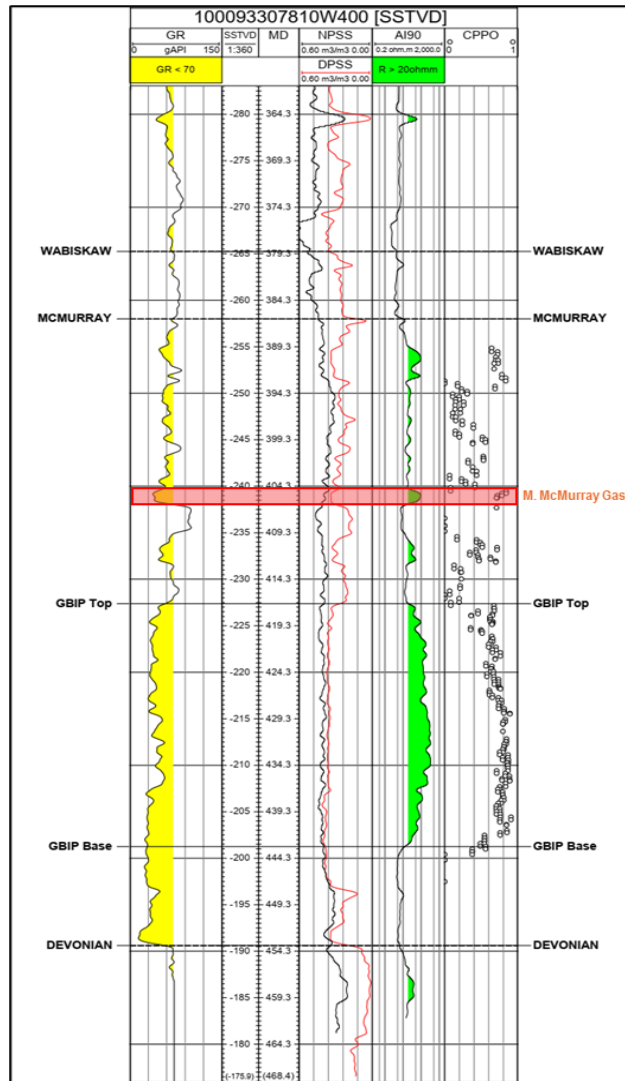
BOTTOM WATER THICKNESS MAP



TOP GAS THICKNESS MAP

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MINIMAL GAS THICKNESS AND LIMITED DISTRIBUTION WITHIN DEVELOPMENT AREA

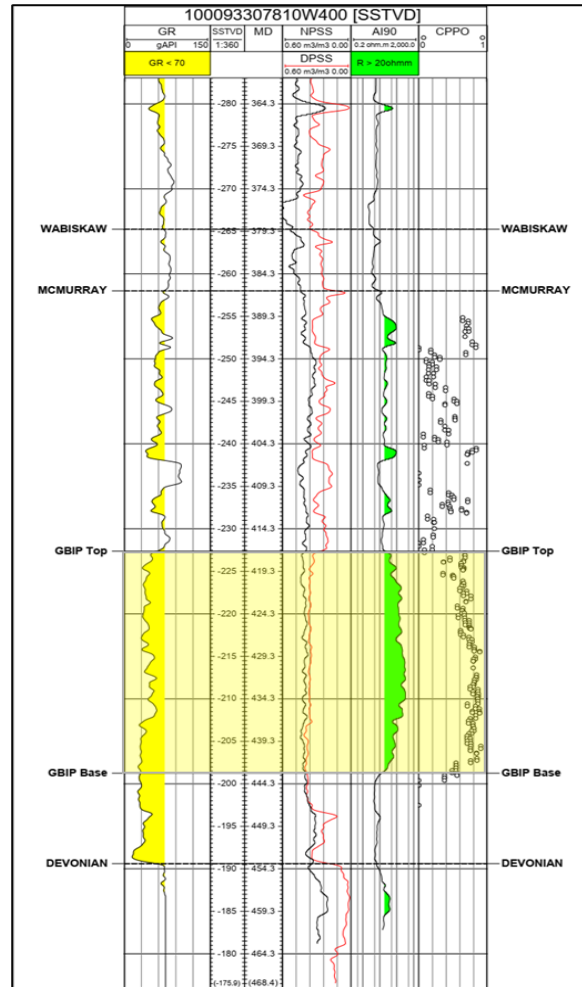


RESERVOIR CRITERIA

- Facies classification based on percentage mud
 - F1: Breccia = variable
 - F2: Sand = 0-10%
 - F3: Sandy IHS = 10-30%
 - F4: Muddy IHS = 30-70%
 - F5: Mud = >70%
- Gross Bitumen in Place (GBIP)
Reservoir criteria: F1-4, <1m F5

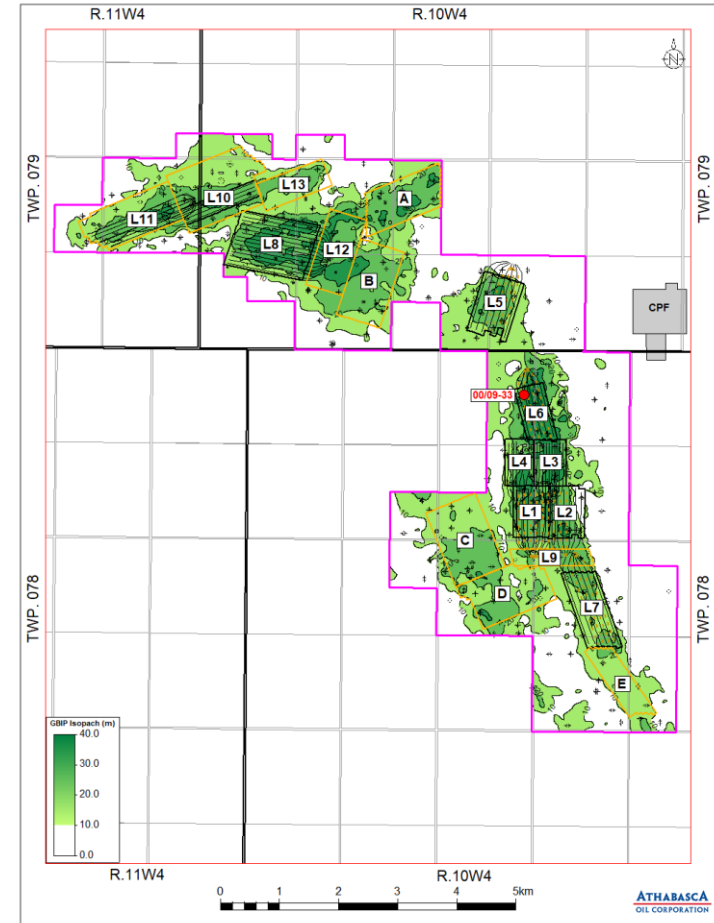
NET PAY CRITERIA

- Gross Bitumen in Place (GBIP)
Petrophysical criteria:
 - Porosity (PHIT) $\geq 27\%$
 - Saturation (SwT) $\leq 50\%$



Elevation Range: 202 -241 masl

NET PAY ISOPACH



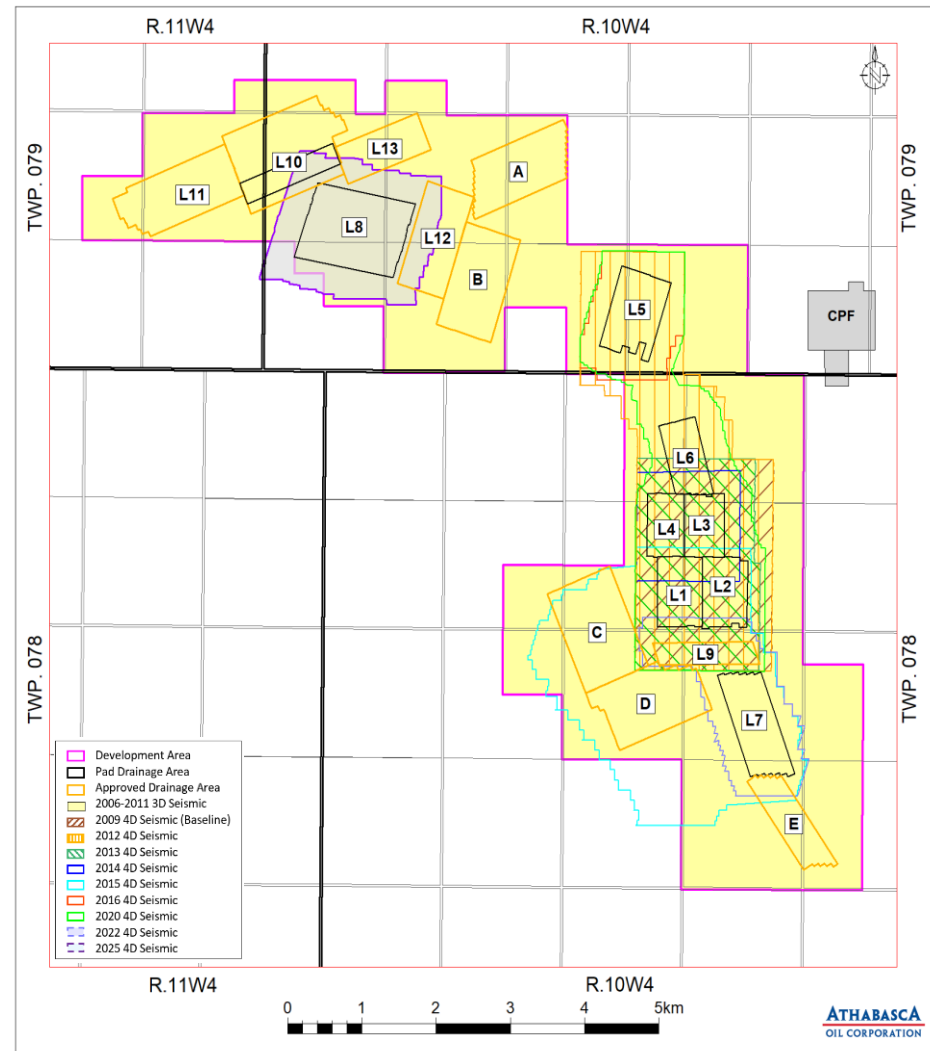
- Contour Interval: 10.0m
- Development Area
- Pad Drainage Area
- Approved Drainage Area
- Type Well (00/09-33-078-10W4)

2025

- Acquired 3.4 km² 4D survey for L8

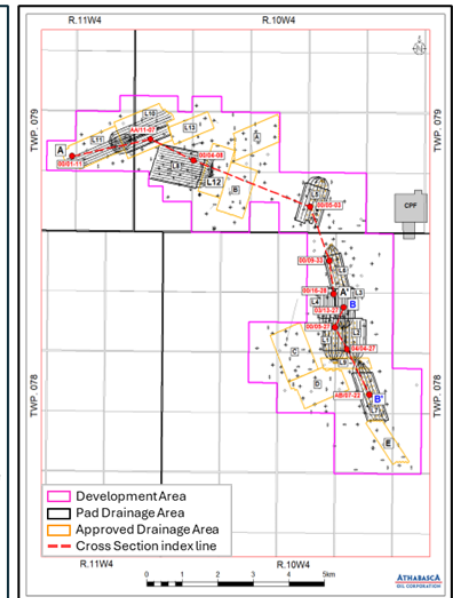
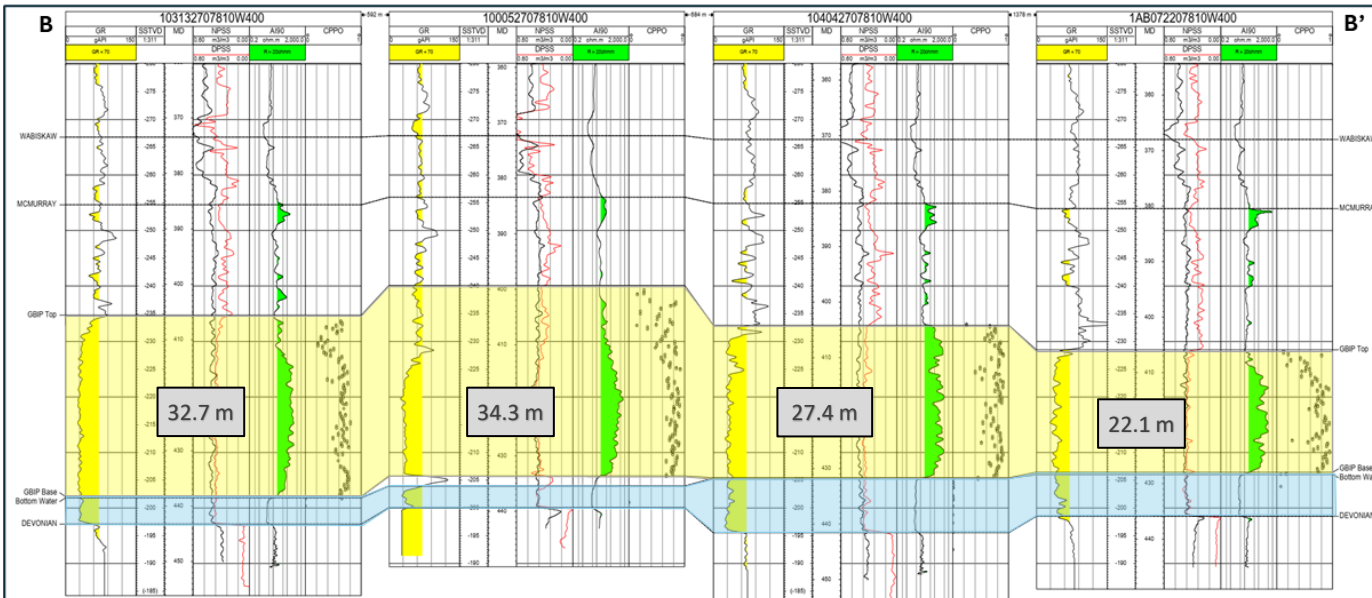
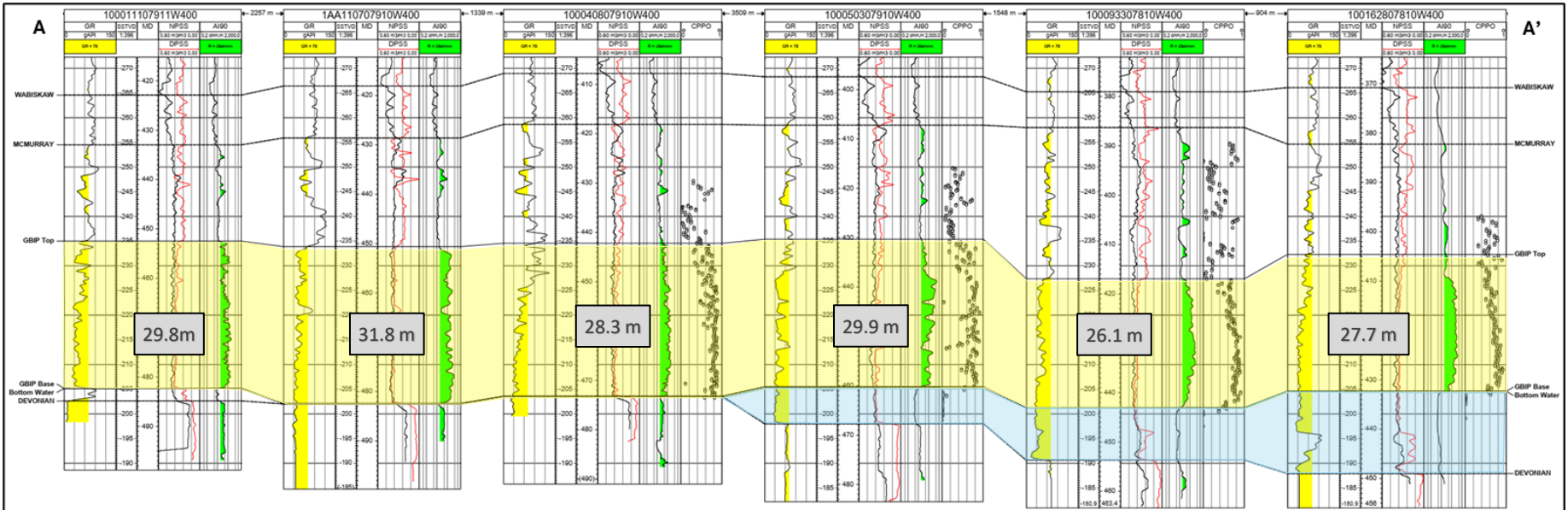
HISTORICAL

- 2022: 2.7 km² 4D survey for L7 and L9
- 2020: 7.1 km² 4D survey for L1-6
- 2016: 2.0 km² 4D survey for L5
- 2015: 9.0 km² 3D survey
- 2014: 2.1 km² 4D survey (active SAGD L3 & L4)
- 2013: 4.5 km² 3D survey
- 2012: 8.6 km² 3D survey
- 2009: 4.9 km² baseline survey (pre-steam) L1–L4
- Development area covered by data acquired in 2006, 2007, 2008 and 2011 and merged into one continuous 3D



L1-L11 STRUCTURAL CROSS SECTION N-S

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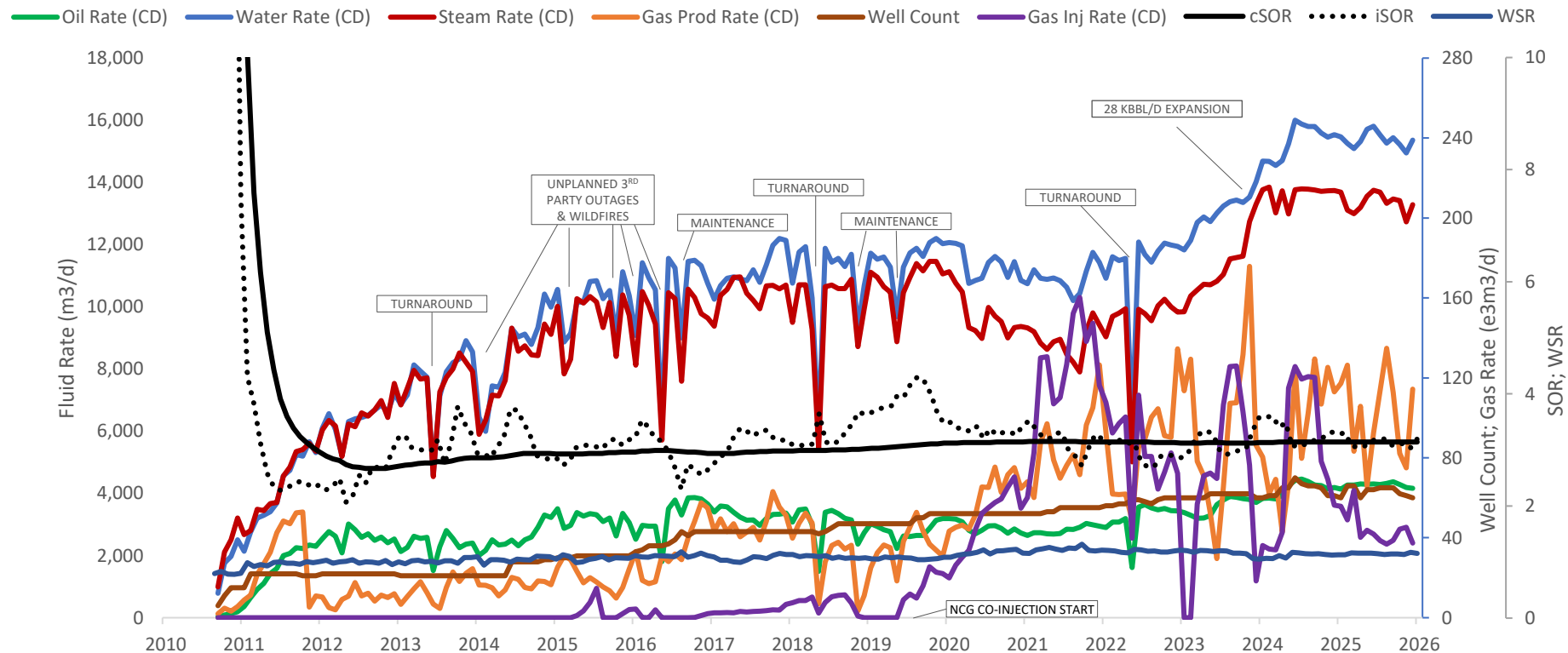


Gross GBP thickness

REPORTING YEAR HIGHLIGHTS

- 9 producing pad drainage areas in 2025
 - 58 SAGD well pairs, 21 infill wells and 9 redrills
 - 6 L1 Redrills on production Q1 2025
 - 3 L10S well pairs on production in 2H 2025
 - 1 L10S well pair on circulation in 2H 2025 (On production in January 2026)
- No known Geomechanical anomalies were observed within the development area

LEISMER FIELD PRODUCTION



RESERVOIR PROPERTIES AND RECOVERY FACTOR

RESERVOIR PROPERTIES

Property	Project Area	Development Area
Depth (m subsea)	194-253	194-253
Initial Reservoir Pressure (kPa)	2,300 to 2,600	2,300 to 2,600
Initial Reservoir Temperature (°C)	14	14
Thickness (m)	16 (10-48)	19 (10-48)
Average Porosity (frac)	0.33	0.34
Average Oil Saturation (frac)	0.81	0.82
Permeability (D)	4.9	5.5
Area (10 ⁶ m ²)	262	38
GBIP Net-hydrocarbon pore volume (10 ⁶ m ³)	340	140

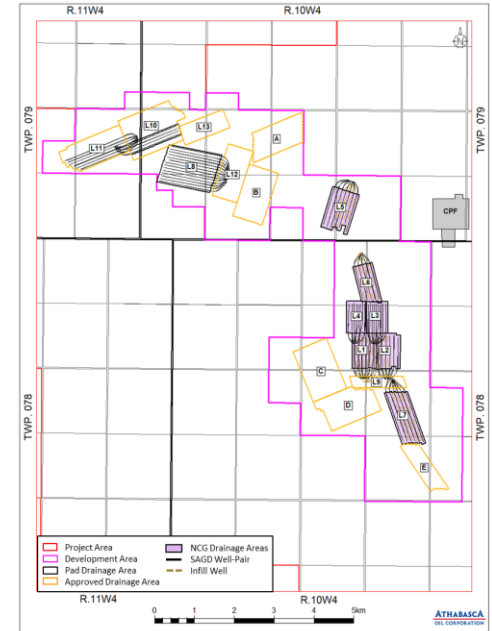
ACTIVE PATTERN RECOVERY BY PAD

Drainage Area	Well Pairs	Infills	Redrills	Lateral Length	Area	Oil Saturation	Porosity	Perm Kh	Perm Kv	Net Pay	GBIP Net	Cumulative Production	Current Recovery Factor	Estimated Ultimate Recovery (EUR)	EUR Recovery Factor
				(m)	(10 ³ m ²)	(frac)	(frac)	(D)	(D)	(m)	(10 ⁶ m ³)	(10 ⁶ m ³)	(%)	(10 ⁶ m ³)	(%)
L1	6	6	6	775	527	0.83	0.34	5.4	3.7	26.8	4.1	2.7	67%	2.7 - 3.1	65-75%
L2	5	3		745	398	0.81	0.33	4.7	3.4	21.4	3.2	2.2	67%	2.1 - 2.4	65-75%
L3	6	0		690	421	0.81	0.34	5.9	4.5	28.9	3.5	2.0	58%	1.9 - 2.3	55-65%
L4	5	0	3	695	393	0.81	0.34	5.2	3.7	24.2	2.7	1.4	51%	1.5 - 1.8	55-65%
L5	7	4		900	694	0.82	0.34	5.5	4.1	23.6	4.6	2.2	48%	3.0 - 3.5	65-75%
L6	5	4		860	468	0.80	0.35	5.6	4.4	35.3	4.7	2.1	45%	3.1 - 3.5	65-75%
L7	6	4		1,250	752	0.80	0.34	4.8	4.0	18.6	3.9	1.8	45%	2.5 - 2.9	65-75%
L8	14	0		1,250	1,312	0.81	0.34	5.6	4.3	26.2	9.8	2.4	25%	5.4 - 6.4	55-65%
L10S	4	0		1,250	383	0.84	0.35	6.6	5.2	28.5	3.2	0.1	2%	1.8 - 2.1	55-65%
L11S	6	0		1,435	647	0.83	0.34	5.1	3.9	25.4	5.0	0.0	0%	2.8 - 3.3	55-65%
Total	64	21	9		5,995						44.7	16.9	38%		

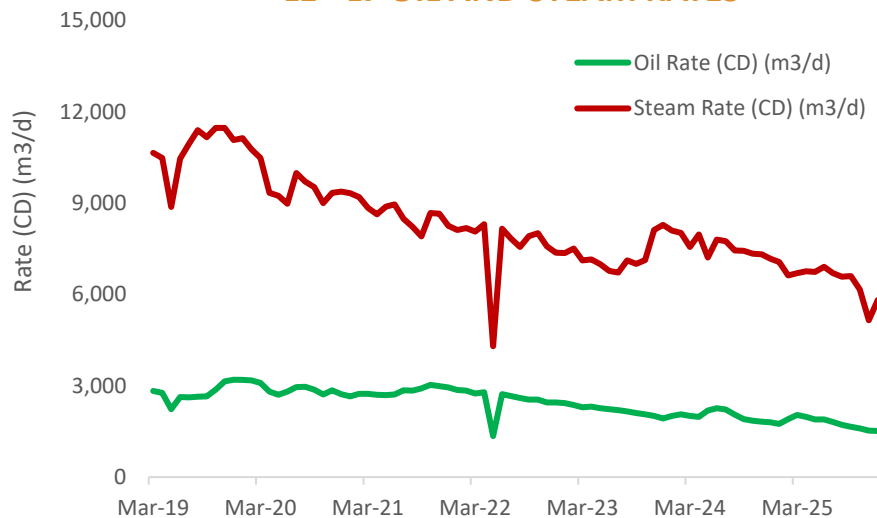
- Cumulative production as of December 31, 2025
- Well pair count includes historical producing, suspended, etc; L1 redrills expand over L1 to L4 drainage boxes
- Average Project and development area properties constrained to >10m GBIP Net, PHIT >= 27% and SwT <= 50%
- GBIP= Gross bitumen in place; EUR = Estimated Ultimate Recovery of Producible Bitumen within GBIP; RF = The ratio of recoverable bitumen reserves to GBIP
- Oil Saturation and porosity averages based on net SoT and PHIT
- Volumes include 50 m at heel and toe

SUMMARY

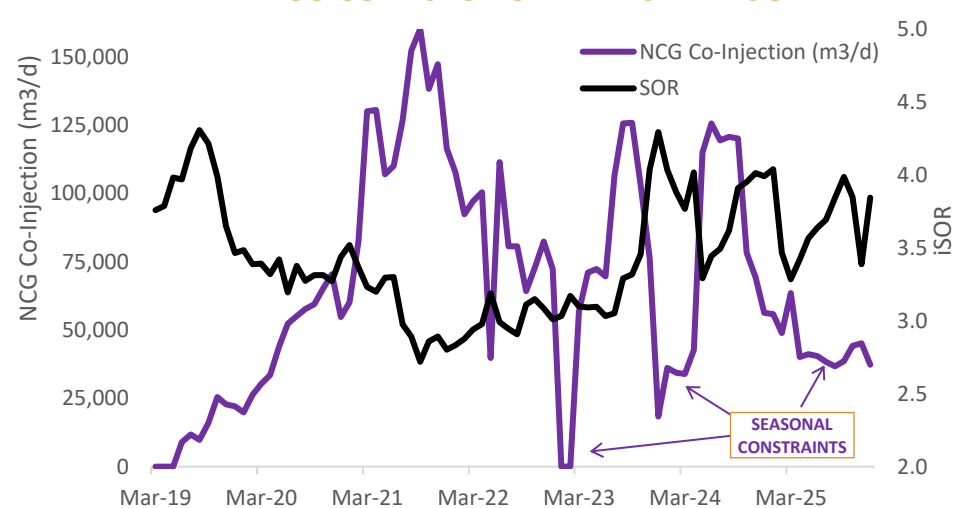
- Pad 4 is currently in the late-life blowdown (no steam injection)
- NCG co-injection is applied in mature areas for pressure support when additional heat is not required
 - *Steam is reallocated from mature pads to new wells*
 - *Without NCG co-injection, SOR would be considerably higher on mature pads*
- L1- L4 have been on production for ~16 years
 - *L1- L4 began NCG co-injection in 2019*
 - *L5- L6 began NCG co-injection in 2021*
 - *L7 began NCG co-injection in 2024*
- No observed impact to recovery factor outlook and no wellbore integrity issues
- Constrained NCG co-injection rates in winter months due to surface limitations
- Observing increased gas production at the plant



L1 - L7 OIL AND STEAM RATES



L1 - L7 NCG CO-INJECTION RATES AND SOR



CLASS 1B DISPOSAL APPROVAL 11479D

- Basal McMurray injection wells
 - 00/12-33-078-10W4/0
 - 00/13-33-078-10W4/0
- Clearwater B injection wells
 - F2/01-10-078-10W4/0
 - F2/04-28-078-10W4/0
 - 00/16-10-078-10W4/0
- Extensive monitoring network
 - Basal McMurray
 - Clearwater B
 - Lower Grand Rapids

BASAL MCMURRAY MONITORING

- Pressure consistent with reservoir operating strategy

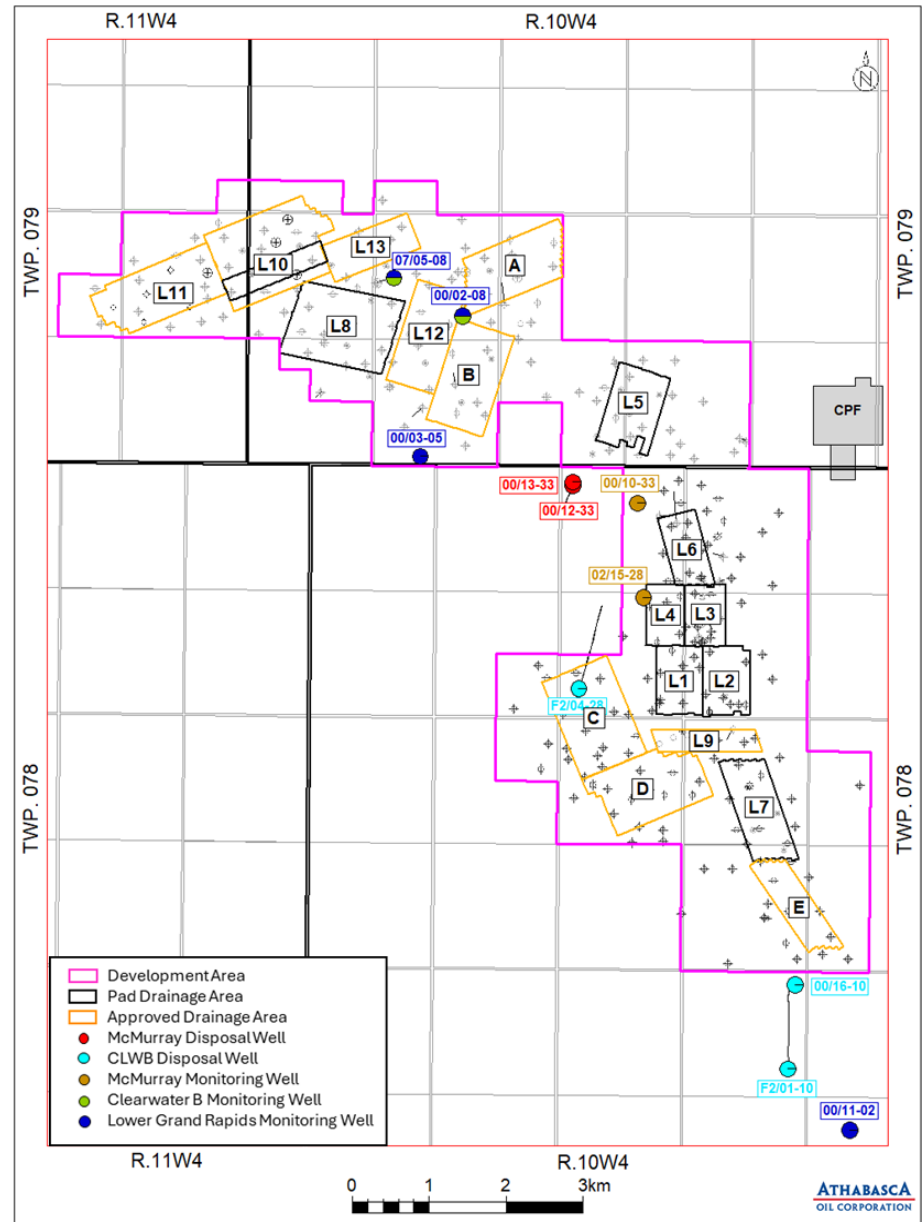
CLEARWATER B MONITORING

- No unexpected pressure response at Clearwater B monitoring wells

LOWER GRAND RAPIDS MONITORING

- Pressure response in Lower Grand Rapids monitoring wells remains consistent with pumping rates of the Lower Grand Rapids source water wells

No unexpected responses observed at any of the monitoring wells during the reporting year



INNOVATION AND LEARNINGS

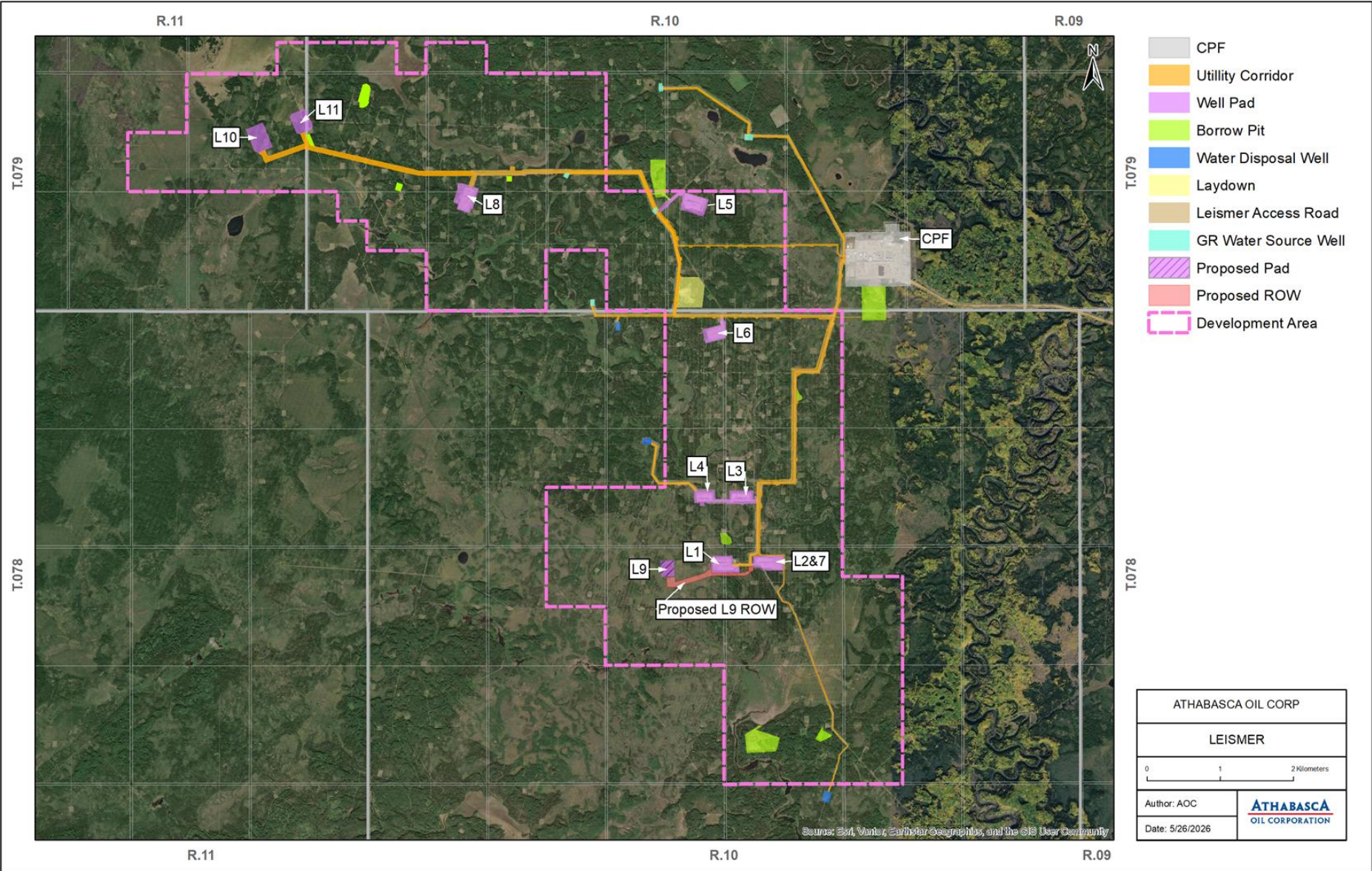
- Successfully producing from extended length redrills (~1,600 m laterals) that were drilled to target bypassed pay
- Drilled longest SAGD pair in Leismer field history on Pad L11 (~1,575 m)
- 4D seismic and saturation logs on Pad L8 confirmed continued heating and drainage
- Continuing to expand NCG co-injection for pressure support, SOR management and emissions reduction
- Continuing implementation of steam splitters and FCDs on new well pairs moving forward
- No immediate plans for future pilots



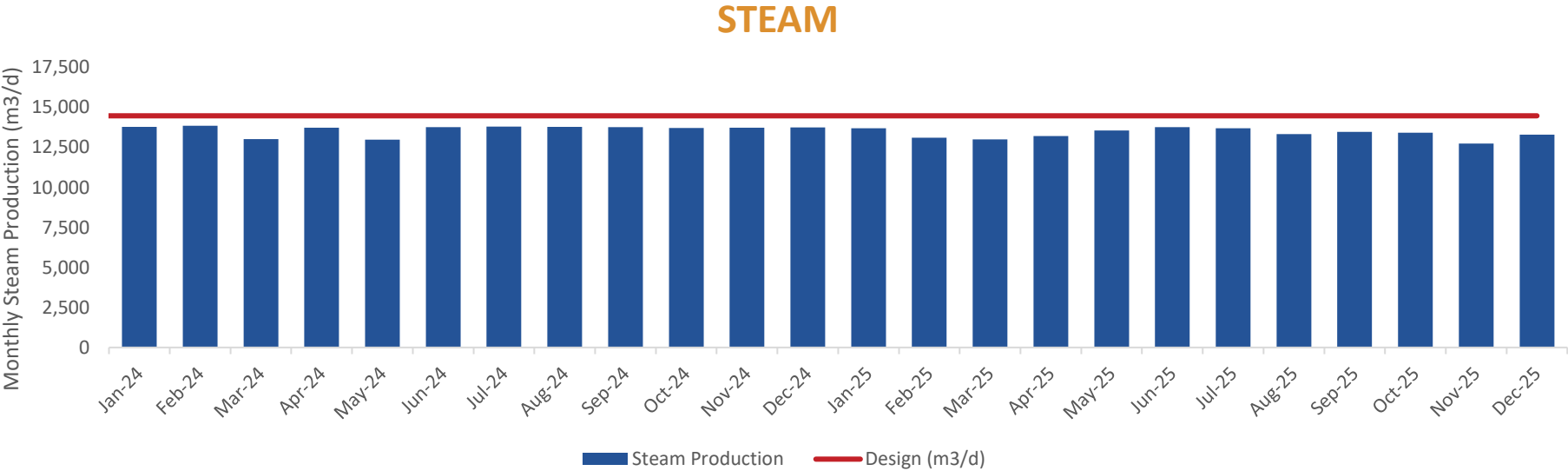
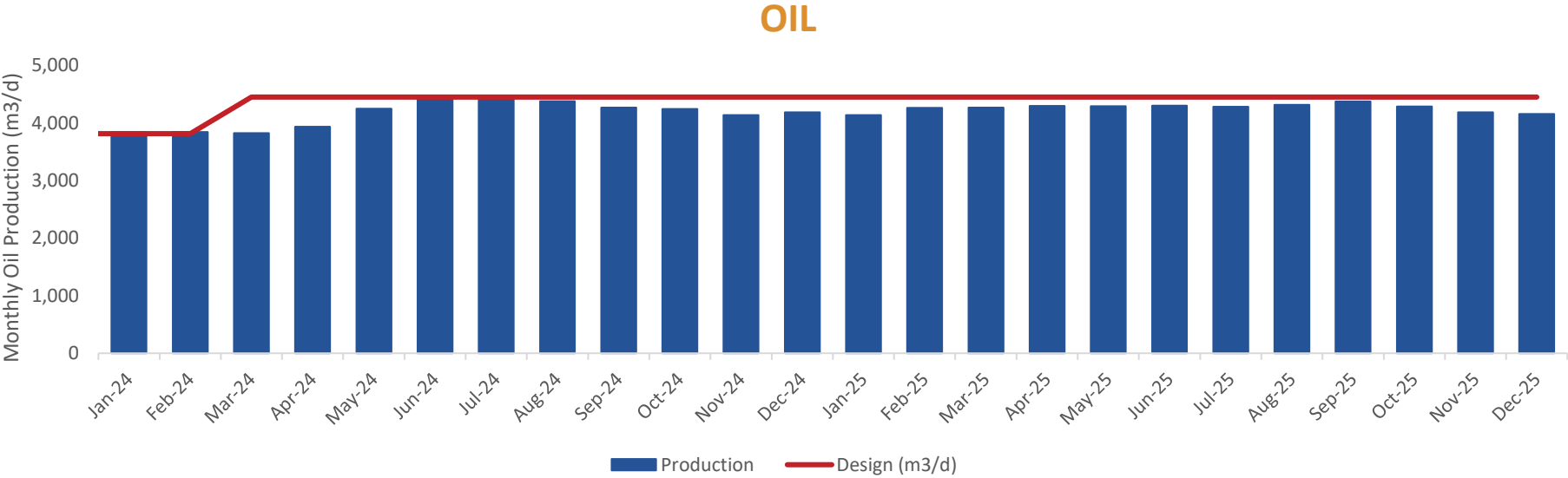
SURFACE OPERATIONS

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SURFACE DEVELOPMENT OVERVIEW



LEISMER OIL AND STEAM RATES



SUMMARY OF CPF MODIFICATIONS IN 2025, AS PART OF THE 40K EXPANSION & SRU PROJECT:

- Pile installation
- Structural steel fabrication & installation
- Pressure process piping fabrication & installation
- Pre-TA Facility tie-ins
- Concrete foundation for equipment (e.g. OTSGs, Degasser, Treater , Mainline Pump ,water and hydrocarbon Tanks) and OTSG building
- Installation of Equipment / Piperack modules and related E & I work
- Installation of major process equipment
 - *OTSG # 6 & 7*
 - *Degasser*
 - *Treater*
 - *Glycol Aerial Coolers*
- Installation of Electrical equipment
 - *5 MVA Transformer for LACT*
 - *2 MVA Transformer for 3500 MCC*
 - *2 MVA Transformer for 3504 MCC*
 - *2 MVA Transformer for 2400 MCC*



REGULATORY & COMPLIANCE

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APPROVALS, AMENDMENTS, AND RENEWALS

Application No. or Approval No.	Approval Date	Description
OSCA Application No. 1957053 D023 Category 3	July 17, 2025	Project Area and Development Area Expansion (L10)
OSCA Application No. 1958318 D023 Category 2	December 11, 2025	Casing Gas Reinjection Pilot

OSCA – Oil Sands Conservation Act

APPLICATIONS PLANNED FOR 2026

Application	Description
EPEA Amendment (No. 241311-01)	Amendment to SRU start up date
OSCA Amendment D023 Category 2 (No. 10935)	Drainage Area F and Lifecycle ADA Expansion
EPEA Amendment (No. 241311-01)	Amendment to Air Emissions as part of Corner Amendment Application
Directive 065 Disposal Amendment (No. 11479)	Add Class 1b Disposal Well (11-35)

NON-COMPLIANCE INCIDENTS

- No non-compliance incidents

SPILLS

- No reportable spills

FLARING/VENTING

- 1 Flaring event (Notification No. 33794103)
- No venting incidents

INSPECTIONS

- AER completed 3 inspections, no unsatisfactory results
- EPA completed 1 inspection, no unsatisfactory results

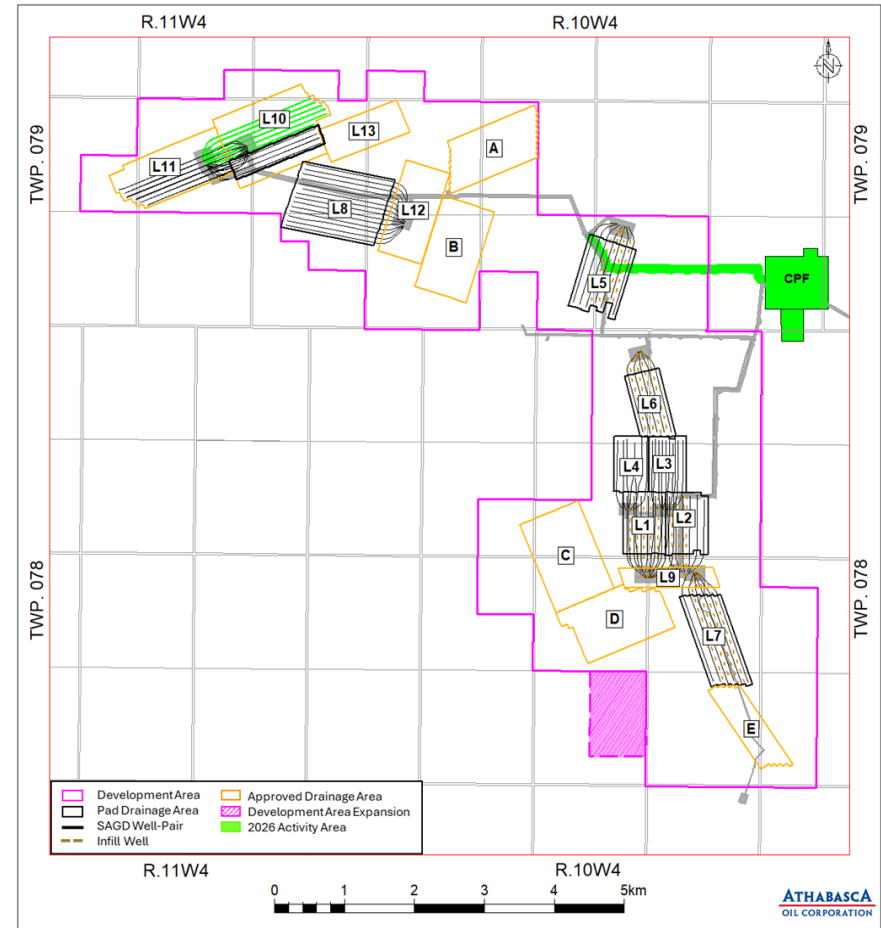
AUDITS

- No audits were completed

SUMMARY

- Increasing oil capacity to 40,000 bbl/d through CPF Expansion and new well pairs (2024-2027). Activity includes
 - Facility tie-in points for expansion project in May 2026 turnaround
 - Installation of a sulphur recovery unit
 - Installation of an emulsion line loop back to CPF
 - L10 – Start steaming 6 new pairs in Q3 2026; Drilled 6 new pairs in Q1 2026
 - L11 – Start steaming 6 well pairs in Q3 2026
- Continue expanding NCG co-injection for pressure support, SOR management and emissions reduction
- Development Area Expansion application for new drainage area F
- Evaluating well patterns to the west of Pads L1 and L7 for future development after Pads L10 and L11
- Suspend wells L1P1, L1P2, L1P3, L1P4, L1P5, L1P6, L3P2, L6P6

2026 ACTIVITY



The logo for Athabasca Oil Corporation features the word "ATHABASCA" in a large, bold, blue serif font. A thick red horizontal line is positioned directly beneath "ATHABASCA". Below this line, the words "OIL CORPORATION" are written in a smaller, blue, all-caps sans-serif font.

ATHABASCA

OIL CORPORATION

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