



Report under the

Fighting Against Forced Labour and Child Labour in Supply Chains Act

For the Year Ended December 31, 2024

NTE Energy Canada Ltd.

OVERVIEW

This report is prepared in accordance with Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**") and describes the steps taken by NTE Energy Canada Ltd. ("**NTE**" or the "**Company**") during the financial year ended December 31, 2024, to prevent and reduce the risks of forced labour and child labour (as such terms are defined in the Act) in its operations and supply chains. Non-operated assets are excluded from the scope of this Report. References to "NTE" and the "Company" refer collectively to NTE and its subsidiaries and the joint ventures which it operates, unless the context suggests otherwise. These terms are used for convenience only and are not intended as a precise description of any separate legal entity within the Company.

This report was approved by NTE's Board of Directors and applies to NTE Energy Canada Ltd. and its controlled subsidiaries, including NTE Discovery Park Ltd.

This Report has not been prepared as financial or investment advice or to provide any guidance in relation to our future performance. Readers should view the disclaimers at the end of this Report.

COMPANY STRUCTURE, OPERATIONS, AND SUPPLY CHAINS

NTE Energy Canada Ltd. is a privately held Alberta corporation wholly owned by New Times Energy Canada Ltd., a subsidiary of New Times Energy Corporation Ltd. (incorporated in Bermuda and listed on the Hong Kong Stock Exchange).

NTE is engaged in the exploration, development, and production of oil and natural gas in northeastern British Columbia and Alberta. These activities are conducted directly and through joint operations. NTE also operates Discovery Park, a 1,200-acre industrial site in Campbell River, British Columbia, through its subsidiary, NTE Discovery Park Ltd.

As of December 31, 2024, NTE employed approximately 81 full-time staff across both field and office functions and engaged with an estimated 15 contractors and consultants. These personnel supported operations based primarily in Calgary, Northeast BC areas, and Campbell River.

The Company procures a wide range of goods and services, primarily from Canadian suppliers. Procurement is centralized through NTE's Supply Chain Management (SCM) department, allowing for strong internal controls and consistency in vendor oversight.

POLICIES AND GOVERNANCE

NTE is committed to ethical business conduct and compliance with all applicable laws and regulations. The Company's Code of Business Conduct and Ethics applies to all employees and contractors and includes provisions requiring compliance with applicable laws which encompasses the Act. This approach has been reviewed and validated by external legal counsel.

Where in place, contractor relationships are governed by a Master Service Agreement that requires compliance with all applicable laws and regulations. Although the agreement does not currently include explicit clauses on forced or child labour, enhancements are under consideration. NTE anticipates broader application of standardized agreements as part of its future compliance framework.

Additionally, many of NTE's field service providers are enrolled with ComplyWorks Ltd. ("**ComplyWorks**"), a widely used compliance management platform in the Canadian energy sector. The platform includes standardized compliance questionnaires which vendors can choose to complete. These responses are then accessible to multiple subscribing companies, supporting industry-wide visibility into supplier compliance practices. While completing the questionnaires is voluntary, participation on the platform reflects an expectation of adherence to applicable laws.

NTE's Human Resources department ensures employment practices align with Canadian labour standards, and no part of NTE's direct operations involves child or forced labour. The Company's centralized SCM team supports implementation and monitoring of compliance-related practices.

IDENTIFICATION AND ASSESSMENT OF RISKS

In 2024, NTE conducted an enterprise-wide assessment of its vendor base to identify and evaluate potential risks of forced and child labour in its supply chain. The initiative was led by the Company's SCM department, with support from Finance and Operations. The process began by identifying all vendors that supplied goods or services during the reporting year. Vendors considered low-risk—such as government agencies, professional service providers, utilities, and individual contractors governed by internal codes—were excluded from further review.

For the remaining vendors, NTE first examined responses provided through ComplyWorks' platform-wide questionnaire, which assesses alignment with the Act based on standardized compliance questions. Where responses indicated partial alignment or gaps, follow-up reviews were conducted to determine whether they stemmed from legitimate and lawful exceptions.

If no ComplyWorks response was available, NTE issued a supplemental questionnaire directly. For vendors who did not respond, the Company searched for publicly available compliance reports or equivalent disclosures. The remaining vendors were then assessed using qualitative criteria, including the nature of goods or services, geographic sourcing, availability of public compliance information, digital presence, and the materiality of the relationship. Where information was limited or jurisdictions posed elevated risk, further review was undertaken.

Vendors were categorized into risk tiers. Most were deemed low risk, though a small number warranted closer scrutiny due to potential indirect exposure through internationally sourced goods. This process established NTE's foundational approach to risk assessment. The Company will continue to refine this framework and integrate findings into onboarding, monitoring, vendor engagement, and future compliance initiatives.

ACTIONS TAKEN IN 2024

In support of compliance with the Act, NTE undertook a coordinated internal effort in 2024 to assess and manage potential risks of forced labour and/or child labour. This included reviewing its supplier base, identifying higher-risk categories, leveraging ComplyWorks data, and conducting direct outreach to vendors without compliance attestations. NTE held cross-functional discussions among the Company's SCM, Finance and Operations teams to confirm risk classifications and determine next steps. Awareness activities and training were provided to relevant teams, and operational leaders were briefed to ensure consistent understanding across the organization. The Company may decide to extend training at its discretion, should the need arise, to further reinforce understanding of and compliance with the Act.

These actions marked NTE's first formal year of forced labour and child labour risk assessments and established a baseline for future monitoring and continuous improvement.

REMEDIATION MEASURES

NTE is not aware of any instances of forced labour or child labour in its operations or supply chains during 2024. As such, no remediation actions were required, nor were any measures taken to address loss of income to vulnerable families.

TRAINING AND AWARENESS

In 2024, NTE raised awareness of the Act among key internal stakeholders and teams involved in procurement and compliance-related activities. Informal guidance materials provided by legal counsel were shared with relevant departments, and discussions were held to promote general familiarity with the legislation. A dedicated cross-functional group — comprising representatives from NTE's SCM, Finance, and Operations teams — was established to coordinate compliance efforts under the Act. This collaboration facilitated knowledge sharing across departments and supported a consistent understanding of compliance expectations. To reinforce individual responsibility, all employees are required to review and acknowledge the Company's Code of Conduct upon hiring and annually thereafter. As part of its ongoing compliance program, NTE may consider introducing broader training initiatives in future reporting periods.

ASSESSING EFFECTIVENESS

The initiatives undertaken in 2024 laid the groundwork for NTE's forced labor and child labor compliance program. NTE will evaluate its approach annually and may adopt formal metrics such as supplier response rates or training completion benchmarks. Opportunities to enhance vendor oversight through contract updates and audit mechanisms are also under review.

APPROVAL AND ATTESTATION

This Report is for NTE and applicable entities which it controls, including joint ventures which it operates, and has been approved pursuant to subparagraph 11.4(4)(a) of the Act by NTE's board of directors on May 30, 2025, and has been submitted to the Minister of Public Safety and

Emergency Preparedness in Canada. This Report is also available on our website at www.nt-energy.ca.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

“/s/ John Tang”

John Tang
Director & CEO
May 30, 2025

I have the authority to bind NTE.

Forward-Looking Information

Certain statements contained in this Report include statements which contain words such as “anticipate”, “could”, “expect”, “seek”, “may”, “intend”, “likely”, “will”, “believe” and similar expressions (including variations thereof), statements relating to matters that are not historical facts, and such statements of our beliefs, intentions and expectations about development, results and events which will or may occur in the future, constitute “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information is based on certain assumptions and analysis made by the Company derived from its experience and perceptions. Forward-looking information in this Report includes, but is not limited to: the steps taken to prevent and reduce risks of forced labour and child labour; the implementation of policies in relation to forced labor and child labor; training provided to employees in respect of forced labor and child labor; the Company’s business strategy and outlook; supply channels; and other such matters. All such forward-looking information is based on certain assumptions and analyses made by the Company considering its experience and perception of historical trends, current conditions and expected future developments, as well as other factors the Company believes are appropriate in the circumstances. The risks, uncertainties, and assumptions are difficult to predict and may affect operations, and may include, without limitation: foreign exchange fluctuations; equipment and labour shortages and inflationary costs; general economic conditions; industry conditions; changes in applicable environmental, taxation and other laws and regulations as well as how such laws and regulations are interpreted and enforced; political uncertainty and wars; changes in existing supply chains in response to the recent implementation of tariffs and other trade restrictions globally (including the risk of changes to the Company’s supply chain); the existence of operating risks; volatility of oil and natural gas prices; oil and gas product supply and demand; risks inherent in the ability to generate sufficient cash flow from operations to meet current and future obligations; increased competition; access to information regarding subcontractors; stock market volatility; opportunities available to or pursued by the Company; and other factors, many

of which are beyond the Company's control. The foregoing factors are not exhaustive. Actual results, performance or achievements could vary greatly. The Company cautions readers not to place undue reliance on any such forward-looking information. Such information is current only on the date on which it was made.