

**HARVEST OPERATIONS CORP.  
OFFERING AND BIDDING PROCESS**

**HEAVY OIL GROUP (NOVEMBER 2023)**

Harvest Operations Corp. (“Company”) is making the Heavy Oil Group available for an Offering Process as follows:

**Offering Process**

1. Upon receipt of a signed Confidentiality Agreement (“CA”) attached, your company will be granted access to a Firmex Virtual Data Room (“VDR”) including all available data for the Heavy Oil Group.
2. VDR will open as of November 15, 2023 and will close on the date bids are due.
3. All questions are to be directed to the Company at [A&D@harvestenergy.ca](mailto:A&D@harvestenergy.ca). you are not to contact any other Company personnel.
4. The offering is on a Whitemap basis and is expected to include all of the Heavy Oil group.

If you wish to participate in Offering Process, please sign and return CA to Mary Shearer at [mary.shearer@harvestenergy.ca](mailto:mary.shearer@harvestenergy.ca). along with the names and email address of those you wish to have VDR access.

**Bidding Process**

5. **Proposal due:** Bids/proposals for the Heavy Oil assets will be due no later than 12 noon (Mountain Time) on December 1, 2023. Any bid/offer is to be submitted by email only to [A&D@harvestenergy.ca](mailto:A&D@harvestenergy.ca). There will NOT be a second round of bidding.
6. **Effective Date:** the effective date of this transaction shall be September 1, 2023.
7. **Expiration:** In order to allow sufficient time for the Company evaluation process, your proposal should be open for acceptance until 4pm (Mountain Time) on Monday December 18, 2023.
8. **Consideration:** Offers should be on a cash only basis in Canadian Dollars. Shares or other forms of consideration will not be considered.
9. **Timing/Conditions to Sign and Close:** the Company intends to work towards prompt execution of the PSA. The Company believes that sufficient time and access has been provided to prospective purchaser to conduct and complete their necessary evaluation expeditiously prior to the bid due date. You are expected to identify any further confirmatory due diligence you require and your expected timing to remove any condition, execute the PSA and close into escrow. It is expected that all due diligence is completed prior to signing the PSA.
10. **Escrow Closing:** as there will be an application to AER for license transfers, the Company policy of closing into escrow will occur. Escrow Closing contemplates that the PSA is signed along with the “Main Transaction Documents” (as defined in PSA) as well as a deposit covering a portion of the purchase price. These documents and deposit will be placed into escrow with the Company Escrow Agent (Norton Rose Fulbright). The License Transfers will then be submitted to the AER for registration. Final Closing will occur after the transfers are registered with AER. See PSA for details.
11. **PSA:** The Company present PSA will be available in the VDR and it is expected that you will review and advise in your offering letter if there are any material terms in the PSA that you request changes to.
  - a. Terms referring to Competition Act and/or Investment Canada Act will be removed if not applicable.

- b. Deposit – it is expected that the purchaser shall place a deposit of \$500, 000 (Deposit) into escrow with Escrow Agent at Escrow Closing. The Deposit shall be credited to purchaser with closing adjustments.
  - c. AER Approvals/Conditions: it is expected that the purchaser shall agree to pay any deposit required of Purchaser by the AER (if any).
  - d. “Excluded Assets”. The Heavy Oil Asset excludes the Company’s regional field office located in Lloydminster, Alberta.
12. **Employees/Contractors:** the purchaser is expected to take on the Company field staff whose primary responsibility is for the Heavy Oil assets. Office staff would only be made available to purchaser at the request of Purchaser and in the sole discretion of the Company.

### **Other Considerations**

The Company expressly reserves the right, in its sole discretion and at any time and for any reason, to exclude any party from the process or to enter into negotiations or the PSA with any prospective purchaser or any other party (regardless of whether such prospective purchaser or other party has previously received an invitation to submit a Proposal) and to reject any and all Proposals for any reason whatsoever.

The Company will have no obligation to state any reason or give notice to any prospective purchaser for excluding any party, declining consideration of a Proposal by any party, or accepting a pre-emptive offer from any party. The Company also expressly reserve the right to negotiate at any time with any prospective purchaser and to discuss with any prospective purchaser, at any time, the terms of any Proposal submitted by such party for purposes of clarifying the terms of such Proposal in any respect. None of the Company or any of their respective directors, officers or employees will have any liability to any prospective purchaser as a result of the rejection of any Proposal or the acceptance of another Proposal at any time.

The Company is under no obligation to proceed with the Transaction or any other transaction involving the Company or any of the Company’s assets unless and until the PSA is executed by the Company and a purchaser. The Company shall not have any obligation to any prospective purchaser, and thereafter, the only obligation of the Company will be to the counterparty to such agreements and only as set forth therein.

The Company disclaims any and all liability for all material supplied to you, and no representation or warranty, other than those that may be made to you in the PSA, is made as to the accuracy or completeness of any information furnished, either written or oral. No securities commission or regulatory authority in Canada, South Korea, the United States or any other jurisdiction has in any way assessed the merits of this opportunity or the accuracy or adequacy of the information provided to prospective purchasers. By submitting a Proposal, a prospective purchaser acknowledges that it is relying solely upon its own independent investigation and evaluation of the **assets**.

The Company reserves the right, without explanation, to amend, modify or waive the procedures, terms and conditions set forth herein at any time, with or without sending notice of such amendments, modifications or waivers to prospective purchasers. As noted above, the existence and contents of this invitation are being provided subject to the CA and the terms of the CA shall continue to apply during the Proposal process.