CRITERIUM ENERGY LTD.

Management's Discussion and Analysis

For the three months and years ended

December 31, 2025 and 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is management's discussion and analysis ("MD&A") of the operating and financial results of Criterium Energy Ltd. ("Criterium" or the "Company") for the three months and years ended December 31, 2025 and 2024. This information is provided as of April 27, 2026. This MD&A should be read in conjunction with the Company's annual consolidated financial statements ("consolidated financial statements") for the three months and years ended December 31, 2025 and 2024, together with the accompanying notes and with its Annual Information Form ("AIF") for the year ended December 31, 2025. These documents and additional information about Criterium are accessible on the SEDAR+ website at www.sedarplus.ca. All amounts are in Canadian dollars ("CAD"), unless otherwise stated.

The financial data presented below has been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards"), unless otherwise indicated.

ABOUT CRITERIUM ENERGY LTD.

Criterium is a corporation engaged in the exploration, development, production and sale of oil and natural gas in Southeast Asia. The Company is currently developing two core production sharing contracts ("PSCs") in Indonesia – a light oil and potential gas play in the Tungkal PSC, located in South Sumatra and an oil play in the West Salawati PSC, located in the West Papua province of Indonesia. The Company also holds a 42.5% non-operated working interest in the Bulu PSC, offshore East Java. Criterium is actively engaged in seeking out new opportunities that fit its strategy of acquiring and developing undercapitalized and underutilized assets across the broader Southeast Asia region.

As of the date of this filing, Criterium has 5 employees at the corporate head office in Calgary, Alberta and 54 employees in Indonesia at the Jakarta office and field level operations. The Company is incorporated and domiciled in Alberta, Canada with the head office located at Suite 1120, 202 – 6th Avenue S.W., Calgary, Alberta, T2P 2R9. Criterium is a publicly traded company on the Toronto Stock Exchange – Venture ("TSX-V") and is traded under the symbol "CEQ".

2025 YEAR IN REVIEW

During 2025 Criterium moved its focus to creating long term, stable cash flow and value through the development of its first gas project, the Southeast Mengoepeh field within the Tungkal PSC. As part of the gas development the Company re-entered the Southeast Mengoepeh well to conduct a long term production test. During this test the well produced at an average rate nearing 8 mmcf/d which was facility constrained. The Company also neared a gas sales agreement, agreements for use of third party facilities, and an agreement for a third party to construct and operate the sales gas pipeline at no capital outlay to the Company. The immediate results of this work is the increase in reserves reported by the Company of March 23, 2026, for further details see news release filed on SEDAR+.

Production year over year remained flat as the Company utilized its technical teams, workover rig and capital towards gas development and did not carry out any workovers in the second half of the year. It is anticipated that in 2026 select workovers and other production optimization initiatives will be carried out.

Throughout the year, the Company focused on driving down costs within its business. On a unit basis, operating costs increased slightly, offset by reduced financing expenses. Going into 2026, the Company will continue to focus on costs reductions where possible within its existing business.

With oil prices under significant pressure, financial flexibility and discipline was paramount as the Company mobilized its teams to carry out extended well tests in both Southeast and North Mengoepeh fields. To achieve that, the Company negotiated payment reductions with lenders to ensure sufficient capital was available. In conjunction with higher oil prices currently being realized, it is expected that payments will increase through the year

OUTLOOK

The Company released its 2026 Budget earlier this year, at that time financial and commodity markets were relatively stable. Since then, there has been a drastic increase in commodity prices as a result of conflict in the Middle East. While there is an expected increase in near-term cashflows, the Company remains focused on managing expenditures across the business in a bid to protect its cash balance and accelerate development of its pipeline of resource opportunities. At this time, no material change to the 2026 budget presented is expected. As gas comes on stream in the middle of year, the Company will be better positioned to weather market volatility as it diversifies its revenue stream with stable, fixed price, take or pay gas sales. The Company continues to work with its lenders to ensure that it has adequate financial flexibility when commodity pricing normalizes.

MANAGEMENT'S DISCUSSION AND ANALYSIS

SELECT Q4 AND FULL YEAR 2025 OPERATIONAL AND FINANCIAL HIGHLIGHTS

		Three months ended December 31,			Year ended December 31,		
		2025	2024	% Change	**2025**	2024	% Change
Financial Performance	**($ thousands, except per share amounts)**						
	Oil sales	**$4,675**	$5,526	(15%)	**$33,751**	$29,880	13%
	Royalty expense	**(996)**	(1,389)	(28%)	**(7,904)**	(7,718)	2%
	Royalty revenue	**15**	28	(46%)	**64**	69	(7%)
	Other income	**381**	2,385	(84%)	**1,247**	2,430	(49%)
	Cash flow from (used in) operating activities	**4,126**	474	770%	**4,854**	(506)	1059%
	Per share - basic	**0.03**	-	N/A	**0.04**	-	N/A
	Net loss	**(8,648)**	(4,712)	84%	**(14,817)**	(9,915)	49%
	Per share - basic	**(0.06)**	(0.03)	111%	**(0.11)**	(0.08)	36%
	Capital expenditures	**43**	3,091	(99%)	**2,632**	5,978	(56%)
	Acquisition expenditures	**-**	-	N/A	**-**	(5,495)	(100%)
Operations	**Average daily production**						
	Heavy oil (bbl/d) [1]	**-**	-	N/A	**-**	-	N/A
	Light oil (bbl/d) [1]	**733**	957	(23%)	**846**	858	(1%)
	NGL (bbl/d) [1] [2]	**-**	-	N/A	**-**	-	N/A
	Natural gas (mcf/d) [3]	**-**	-	N/A	**-**	-	N/A
	Total (boe/d) [1]	**733**	957	(23%)	**846**	858	(1%)
Trading Information	**Weighted average shares outstanding (thousands)**						
	Basic	**136,375**	133,936	2%	**136,308**	131,983	3%
	Share Trading						
	High	**0.10**	0.11	(9%)	**0.11**	0.14	(21%)
	Low	**0.08**	0.05	78%	**0.05**	0.05	11%
	Average daily trading volume	**31,283**	138,932	(77%)	**62,586**	119,889	(48%)

(1) "Bbl" refers to barrels.
(2) "NGL" refers to natural gas liquids.
(3) "Mcf" refers to thousand cubic feet.

In the three months ended December 31, 2025, oil revenue decreased primarily due to lower realized oil prices combined with lower field production. Royalty expense decreased for the three months ended December 31, 2025, aligned with lower revenue, and also as a result of a mechanism within the Tungkal PSC which reduces government take with lower oil prices. Oil revenue increased in the year ended December 31, 2025 primarily due to a delay in oil lifting in December of 2024, resulting in the production from that month being sold in early 2025, offset by lower field production during the year.

Net loss increased for both the three months and year ended December 31, 2025, compared to the three months and year ended December 31, 2024 (the "Corresponding Periods"), primarily due to the impairment recorded in the last quarter of the year, offset by gains on modification of the Company's long-term debt.

BENCHMARK PRICES AND FOREIGN EXCHANGE

	Three months ended December 31,			Year ended December 31,		
Benchmark Prices	**2025**	2024	% Change	**2025**	2024	% Change
Brent (US$/bbl)	**$63.08**	$74.61	(15%)	**$68.18**	$80.53	(15%)
Indonesia Crude Price ("ICP") (US$/bbl)	**63.60**	73.94	(14%)	**71.41**	80.41	(11%)
Foreign Exchange						
CAD/USD	**1.3947**	1.3990	-	**1.3978**	1.3700	2%
IDR/USD	**16,668**	16,075	4%	**16,478**	15,932	3%

In the three months and year ended December 31, 2025, global crude prices continued their decline, as the oil market grappled with perceived slowing demand growth and the easing of OPEC+ supply curtailments, partially offset by ongoing geopolitical concerns.

OIL AND NATURAL GAS SALES

	Three months ended December 31,			Year ended December 31,		
Revenue ($ thousands)	**2025**	2024	% Change	**2025**	2024	% Change
Light oil	**4,675**	5,523	(15%)	**33,751**	29,880	13%
Average Realized Price						
Light oil ($/bbl)	**91.31**	106.03	(14%)	**102.54**	111.47	(8%)

In the three months ended December 31, 2025, oil sales decreased primarily due to a decrease in commodity prices compared to the Corresponding Period, offset slightly by a delay in oil lifting of significant volumes experienced in the fourth quarter of 2024. In the year ended December 31, 2025, oil revenue increased compared to the Corresponding Period, as the Company realized the revenue related to the delayed December 2024 lifting in January of the current year.

SUMMARY OF EXPENSES

	Three months ended December 31,			Year ended December 31,		
($ thousands)	**2025**	2024	% Change	**2025**	2024	% Change
Operating expense	**$1,873**	$2,276	(18%)	**$13,548**	$12,195	11%
General and administrative	**609**	264	131%	**4,296**	5,230	(18%)
Restructuring costs	**-**	(89)	(100%)	**-**	623	(100%)
Depreciation and depletion	**760**	(662)	(215%)	**4,942**	4,449	11%
Financing costs	**3,606**	7,014	(49%)	**11,022**	10,430	6%
Other tax expense	**314**	370	(15%)	**1,407**	1,453	(3%)
Foreign exchange loss	**58**	695	(92%)	**12**	201	(94%)
Share-based compensation expense	**149**	27	452%	**390**	154	153%
Impairment	**10,136**	-	N/A	**10,136**	-	N/A
Gain on revaluation of financial liabilities	**(3,699)**	-	N/A	**(3,699)**	-	N/A
(Gain) loss on debt modification	**205**	-	N/A	**(1,046)**	(206)	408%
Gain on sale	**(61)**	-	N/A	**(61)**	-	N/A
Transaction costs	**-**	-	N/A	**-**	41	(100%)
Total expenses	**$13,950**	**$9,895**	**41%**	**$40,947**	**$34,570**	**18%**

(continued)

Operating expenses for the three months and year ended December 31, 2025 were $1.9 million and $13.5 million, respectively (Corresponding periods: $2.3 million and $12.2 million, respectively). The decrease in the three months ended December 31, 2025 is primarily due to a reduction in sales volume. The increase in total operating expense in the year ended December 31, 2025 is primarily due to increased sales volume in 2025.

General and administrative expenses for the three months and year ended December 31, 2025 totalled $0.6 million and $4.3 million, respectively (Corresponding Period - $0.3 million and $5.2 million, respectively). The decrease in the year ended December 31, 2025 is largely driven by one time administrative costs incurred in the Corresponding Period.

Depreciation, depletion and amortization ("DD&A") for the three months and year ended December 31, 2025, were $0.8 million and $4.9 million, respectively (Corresponding periods: ($0.7) million and $4.5 million, respectively). The increase in DD&A in the three months ended December 31, 2025, is due to a change in the allocation of property, plant and equipment acquired in the Mont D'Or Petroleum Ltd. transaction ("MOPL transaction") in the Corresponding Period. The increase in DD&A in the year ended December 31, 2025, is primarily driven by an increase in sales volumes, compared to the Corresponding Period.

Financing costs for the three months and year ended December 31, 2025 were $3.6 million and $11.0 million, respectively (Corresponding periods: $7.0 million and $10.2 million, respectively). In the three months ended December 31, 2025, financing costs decreased largely due to one-time true up amounts booked in the Corresponding Period. In the year ended December 31, 2025, financing costs increased compared to the Corresponding Period, as the Company's debt balance continued to grow.

Other tax expenses for the three months and year ended December 31, 2025 were $0.3 million and $1.4 million, respectively (Corresponding periods: $0.4 million and $1.5 million, respectively). These other taxes relate to land and building taxes incurred within the Tungkal PSC.

Share-based compensation expenses for the three months and year ended December 31, 2025 were $0.1 million and $0.4 million, respectively (Corresponding period: $0.03 million and $0.4 million, respectively). The increase in share-based compensation expenses in both the three months and year ended December 31, 2025 are driven by an increase in share awards granted, compared to the Corresponding period.

Impairment expense for both the three months and year ended December 31, 2025 was $10.1 million (Corresponding periods: $nil). The impairment relates to the recoverable amount of the West Salawati CGU decreasing below its carrying value as at December 31, 2025.

Gain on revaluation of financial liabilities for both the three months and year ended December 31, 2025 was $3.7 million (Corresponding periods: $nil). The gain on revaluation of financial liabilities relates to the decrease in future cash outflows expected to be paid to prior owners resulting from the MOPL transaction, as at December 31, 2025.

(Gain) loss on debt modification for the three months and year ended December 31, 2025 were a loss of $0.2 million and a gain of $1.0 million, respectively (Corresponding periods: $nil). The (gain) loss on debt modification relates to changes in the value of the Company's debt, as a result of amendments made during the year, primarily the pausing of interest and principal payments.

CAPITAL EXPENDITURES

	Three months ended December 31,			Year ended December 31,		
($ thousands)	**2025**	2024	% Change	**2025**	2024	% Change
Drilling, completions and equipment	**($41)**	$3,091	(101%)	**$2,205**	$5,978	(63%)
Facilities	**61**	-	N/A	**196**	-	N/A
Land, seismic and other	**23**	-	N/A	**231**	-	N/A
Total Capital Expenditures	**43**	3,091	(99%)	**2,632**	5,978	(56%)
Acquisitions (dispositions)	**-**	-	N/A	**-**	5,494	(100%)
Cash on Acquisition	**-**	-	N/A	**-**	(9,832)	(100%)
Net Cash Capital Expenditures	**$43**	**$3,091**	**(99%)**	**$2,632**	**$1,640**	**60%**

In the year ended December 31, 2025, the Company incurred costs of $2.2 million related primarily to the re-entry of a well in Southeast Mengoepeh. Additional costs of $0.2 million and $0.2 million were incurred in relation to production facilities and geological analysis, respectively, for the gas development project.

SHARE CAPITAL

	Year ended December 31, 2025		Year ended December 31, 2024	
($ thousands, except share counts)	**Number**	Amount	**Number**	Amount
Balance, opening	**135,306,903**	$18,107	**38,389,981**	$8,694
Issue of common shares - cash	**-**	-	**60,910,000**	6,702
Issue of common shares - acquisitions	**-**	-	**33,056,922**	4,207
Issue of common shares - warrant, option, RSU exercise	**1,068,331**	177	**1,700,000**	146
Issue of common shares - shares for debt	**-**	-	**1,250,000**	99
Share issuance costs	**-**	-	**-**	(1,741)
Balance, ending	**136,375,234**	**$18,284**	**135,306,903**	**$18,107**

In the year ended December 31, 2025, 1.1 million common shares were issued upon vesting of restricted and performance awards. In the year ended December 31, 2024, 1.7 million previously issued restricted share units ("RSUs") were converted into common shares, in relation to an executive departure that occurred. Additionally, 1.25 million common shares were issued to a third party in exchange for forgiveness of $0.1 million in previously recorded payables.

In the year ended December 31, 2024, 22.2 million common shares were issued in exchange for debt forgiveness, 10.9 million common shares were issued as a success fee for advisory services related to the lenders, and 60.9 million warrants were issued as part of subscription receipts converting to units as part of the MOPL transaction. In addition, 3.2 million broker warrants were issued to select brokers in conjunction with the subscription receipt offering. During the years ended December 31, 2025 and 2024, no warrants were exercised.

As at April 27, 2026, there were 139.8 million common shares issued and outstanding, 4.4 million performance share units outstanding, 2.7 million restricted share units outstanding, 0.3 million stock options outstanding and 91.2 million warrants outstanding.

LIQUIDITY AND CAPITAL RESOURCES

LIQUIDITY

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with the financial liabilities. The Company's financial liabilities consist of accounts payable, taxes payable and amounts due under borrowing facilities. Accounts payable consists of invoices payable to trade supplies for office, field operating activities and capital expenditures. The Company processes invoices within a normal payment period. Accounts payable have contractual maturities of less than one year. The Company maintains and monitors a certain level of cash which is used to finance all operating and capital expenditures. Amounts due under borrowing facilities consist of cash advances drawn plus accumulated interest.

As of December 31, 2025, the Company had a working capital deficit of $31.7 million with cash from operating activities of $4.9 million. The Company’s ability to pay current liabilities when they become due is in doubt. However, much of the working capital is derived from taxes payable (which Criterium continues to work through with the Indonesian tax office) and current debt, which Criterium has demonstrated a track record of managing. Though the business is sensitive to fluctuations in commodity prices and current market economic challenges, the Company is taking steps to reduce the working capital deficit to a more manageable level through continuing to work with its lenders and business partners to mitigate the impact on executing its business strategy. The Company plans to use additional cash flows from the anticipated commissioning of the gas development in 2026, to further reduce the working capital deficit.

The annual consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations. The Company's ability to maintain its current level of operations is dependent on its ability to generate sufficient cash to fund its operations and future business plans. See going concern in Note 2 of the consolidated financial statements for the year ended December 31, 2025.

The Company is dependent on its revenue from the sale of petroleum and natural gas from its Indonesian operations. This revenue stream is highly dependent on global commodity prices and exchange rates which are outside of the control of management. The volatility of commodity prices and capital markets will continue to have a significant impact on the Company's revenue and ability to access capital in the future. While Management believes the Company will have sufficient cash to discharge its obligations in the normal course of operations for the short-term, future operations will be dependent upon the raising of sufficient capital, the development of profitable operations and the corresponding generation of future cash flows.

(continued)

The Company has been successful to date in obtaining financing. However, there is no assurance that it will be able to generate sufficient cash flow or obtain adequate financing in the future or that such financing will be on terms acceptable to the Company.

The table below outlines a contractual maturity analysis for Criterium's financial liabilities at December 31, 2025. While all taxes payable are currently classed as current, the Company has historically managed taxes payable on a year by year basis with the Indonesian government based on the financial capability of the Company.

($, thousands)	< 1 Year	1 - 5 Years	> 5 Years	Total
Accounts payable and accrued liabilities	$4,939	-	-	**$4,939**
Taxes payable	21,880	-	-	**21,880**
Lease liability	46	26	-	**72**
Contingent consideration	-	7,143	2,705	**9,848**
Debt	11,189	26,919	-	**38,108**
Debt estimated interest [1]	2,666	112	-	**2,778**
Total	**$40,720**	**$34,200**	**$2,705**	**$77,625**

(1) *Estimated interest for future years related to the debt facilities was calculated using the weighted average interest rate for the year ended December 31, 2025, applied to the principle balance as at that date, translated at the December 31, 2025 exchange rate of $1.3706.*

DEBT

Facility 1

During 2024, the Company entered into a securities for debt transaction with Kendall Court Cambridge Investment Manager Ltd. ("Kendall Court") in connection with the acquisition of Mont D'Or Petroleum Limited ("MOPL"). Pursuant to an agreement dated January 3, 2024, Kendall Court agreed to extinguish USD $2.25 million of outstanding indebtedness in exchange for equity securities of the Company. As a result, the Company issued 22,235,055 common shares and an equal number of contingent payment rights ("CPRs"), following the correction of an initial share calculation error and the cancellation of excess shares issued.

The common shares were measured at fair value based on quoted market prices at the transaction date. The CPRs represent a right to a potential future cash payment at maturity on January 3, 2027, and are classified as a financial liability measured at fair value through profit or loss. Following the transaction, the remaining principal balance under the amended and restated loan facility was approximately US$17.0 million.

During 2025, the Company entered into several amendments to the loan facility that temporarily reduced or deferred required principal payments until the earlier of the Indonesian Crude Price exceeding US$72 per barrel or December 31, 2025. Reduced or deferred principal payments continue to incur interest, with such amounts due on maturity. As of April 24, 2026, the Company has not made further payments on the principal or interest (with agreement from the lender) since Q1 2025 and continues to negotiate with the lender to defer payments until first sales gas from Southeast Mengoepeh is achieved.

Management assessed the amendments in accordance with IFRS 9 and determined that they did not constitute substantial modifications, as the changes primarily affected the timing of cash flows. The debt continues to be recognized at amortized cost, with any modification gain recognized in profit or loss.

This facility is secured by a share charge over all outstanding shares of MOPL. An interest rate of 10% per annum, compounded daily applies.

Facility 2

Facility 2 is a Redeemable Preferred Share ("RPS") agreement between Criterium Energy Ltd.'s subsidiary MOAL and Eastspring ASEAN Mezzanine Debt Master Fund. This facility is secured by a share charge over all outstanding preferred shares of MOAL. Under this agreement, MOAL has issued 7,000,000 RPSs at a par value of US$1.00 per share with a 5% annual non-discretionary dividend entitlement. The Company treats the annual dividend entitlement as financing expense in the consolidated statement of loss and the facility as a liability as it will be settled in cash, rather than common shares. The cumulative unpaid dividend portion is added to the outstanding RPS amount. The Company made payments of US$0.5 million in the first quarter of 2025. In the second quarter, the Company negotiated a suspension of any and all payments until the earlier of the commissioning of gas development or March 31, 2026.

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Facility 3

The Company has a working capital loan facility originally entered into on August 5, 2020, and subsequently amended, with Tourmalet Holdings Ltd. (the "Lender"). Following the acquisition of Mont D'Or Petroleum Limited, the facility was amended on January 3, 2024 to extend the maturity date to December 31, 2025 and to forgive US$0.5 million of capitalized interest.

Under the amendment, the Lender was granted the right to convert the outstanding principal balance, together with a bonus amount equal to the forgiven interest, into common shares of the Company during 2025, with automatic conversion at maturity if not previously exercised, subject to applicable regulatory approvals.

On December 31, 2025, the Company entered into an amendment to extend the maturity date to January 14, 2026 to allow additional time to negotiate revised terms. On January 14, 2026, a further amendment was executed extending the maturity date to December 31, 2028. Under the amended terms, the loan remains convertible at the Lender's option, subject to restrictions that would prevent the Lender from holding more than 20% of the Company's outstanding voting shares. Interest accrues at rates ranging from 8% to 16% depending on the form and timing of settlement. Interest is deferred and payable at maturity.

The Company assessed the amendments in accordance with IFRS 9 and determined that they do not constitute substantial modifications. Accordingly, the debt continues to be recognized at amortized cost.

The modification gains in the year ended December 31, 2025, are due to the pause in payments of interest and principal amounts made by the Company as a result of the amendments to the debt agreements.

CASH FLOW SUMMARY

	Three months ended December 31,		Year ended December 31,	
($ thousands)	**2025**	2024	**2025**	2024
Cash at the beginning of the year	**$1,806**	$6,125	**$2,307**	$433
Cash flow from (used in) operations	**4,126**	474	**4,854**	(506)
Cash flow from (used in) investing activities	**(3,846)**	(2,540)	**(4,399)**	658
Cash flow from (used in) financing activities	**509**	(1,668)	**(475)**	1,221
Effect of foreign exchange	**(609)**	(84)	**(301)**	501
Cash at the end of the year	**$1,986**	$2,307	**$1,986**	$2,307

In the year ended December 31, 2025 cash flows from operations were $4.9 million resulting from revenue received from crude oil sales, less operating expenditures and G&A. This was an increase over the Corresponding Period largely due the increase in revenue relating to the delayed lifting of December 2024 oil production, as well reduced general and administrative and restructuring costs and lower cash tax payments made during the year.

Cash flows used in investing activities for the year ended December 31, 2025 were $4.4 million as a result of capital expenditures related to the gas development, as well as settling payables related to capital from late 2024.

Cash used in financing of $0.5 million for the year ended December 31, 2025 related to principal payments on the office leases and repayments of debt.

COMMITMENTS & CONTINGENCIES

CONTINGENCIES

($, thousands)	Contingent liability 1	Contingent liability 2	Contingent liability 3	Total
Balance, December 31, 2024	$4,533	$432	$3,420	**$8,385**
Gain on modification	(3,141)	(558)	-	**(3,699)**
Accretion	874	112	595	**1,581**
Effects of movements in exchange rates	(205)	14	-	**(191)**
Total Contingency Balance, December 31, 2025	2,061	-	4,015	**6,076**
Less: current portion	-	-	-	**-**
Long-term balance, December 31, 2025	**$2,061**	**-**	**$4,015**	**$6,076**

Contingent Liabilities 1 & 2 - Mont D'Or Petroleum Limited ("MOPL") Contingent Payments

The Share and Purchase Agreement ("SPA") the Company entered into in respect of the acquisition of MOPL (see Financial Statement Note 5) provides for future contingent payments to MOPL's prior owners in respect of the Tungkal and West Salawati Production Sharing Contracts. The contingent payment obligations will arise with respect to future production in the event that oil prices, gas prices, and/or production volumes exceed minimum thresholds. Contingent payments may also arise in the event of a future disposition of these Production Sharing Contracts.

Contingent Liability 3 - Contingent Payment Rights

As a condition of the Company's acquisition of MOPL and associated restructuring of existing MOPL debt, the Company issued Kendall Court Cambridge Investment Manager Ltd. ("Kendall Court") 22,235,055 common shares of the Company and 22,235,055 Contingent Payment Rights ("CPR") in consideration for a US$2.25 million reduction in amount owing to a MOPL borrowing facility. The CPRs provide that the Company will make a cash payment on January 3, 2027 equal to $0.2119 per CPR multiplied by the percentage of the issued common shares of the Company still held be Kendall Court at that time. The Company recorded a liability of $2.9 million for the estimated present value of the contingent payment at the date of acquisition. At December 31, 2025, the present value of the contingent liability was $4.0 million.

COMMITMENTS

Within the West Salawati PSC, the following work commitments were outstanding as at December 31, 2025:

Year	Description	Estimated Cost (US$, thousands)	Status
2026	Exploration well	$6,000	Outstanding
2027	Acquisition and processing of 3D seismic	1,500	Outstanding
2028	Acquisition and processing of 2D seismic	1,000	Outstanding
2028	Exploration well	6,000	Outstanding
		$14,500	

To the extent that the Company is able to, it will use external capital to help fund these work commitments or development on the block. Similarly, if the Company is unable to meet these requirements it will work with the Indonesian oil and gas regulator “SKK Migas” to either defer or substitute activity.

Subsequent to December 31, 2025, the board of directors approved the Company to enter into an agreement with PT Dredolf Indonesia ("Dredolf"), for the construction of a pipeline to tie in the Southeast Mengoepeh gas production. Per the agreement, Dredolf will fund the cost of construction of the pipeline and the Company will make monthly payments to Dredolf totalling approximately $28.8 million (US$21.0 million) over the 10 year expected operating life of the pipeline.

BUSINESS RISKS

The Company's principal business activities are the acquisition, exploration, and definition of potentially economically viable mineral resource deposits on mineral properties, which, by nature, are speculative. Companies in this industry are subject to many and varied kinds of risks, including but not limited to; environmental, fluctuating commodity prices, social, political, financial and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable. Due to the high-risk nature of the Company's business and the present stage of the Company's various mineral properties, an investment in the Company's common shares should be considered a highly speculative investment that involves significant financial risks, and prospective investors should carefully consider all of the information disclosed in this MD&A, the risk factors discussed below, and the Company's other public disclosures, including the risks described in the "Risk Factors" section of the Company's 2025 Annual Information Form, prior to making any investment in the Company's common shares.

FINANCIAL RISKS & CAPITAL MANAGEMENT

Risk is inherent in all business activities and cannot be eliminated. However, shareholder value can be maintained and enhanced by identifying, mitigating, and where possible, insuring against these risks. The following section addresses some, but not all, risk factors that could affect Criterium's future results, as well as activities used to mitigate such risks. These risks do not occur in isolation but must be considered in conjunction with each other.

The Board of Directors has overall responsibility for the establishment and oversight of Criterium's risk management framework. The Board is responsible for developing and monitoring Criterium's compliance with risk management policies and procedures.

Criterium's risk management policies are established to identify and analyze the risks faced by Criterium, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Criterium's activities.

The Company reports its financial results in Canadian dollars but also undertakes transactions denominated in US dollars ("USD"), Indonesian Rupiah ("IDR"), British Pounds ("GBP") and New Zealand dollars ("NZD"). As the exchange rates between the Canadian dollar and the USD, IDR, GBP and NZD fluctuate, the Company recognizes realized and unrealized foreign exchange gains and losses.

Currently the Company does not enter into any financial instruments to hedge currency risk specifically, but the Company monitors its foreign exchange exposure and considers its exposure to foreign currency risk to be minimal as at December 31, 2025.

The Company's activities expose it to a variety of financial risks that arise as a result of its exploration, development, production, and financing activities such as:

- Credit risk
- Market risk
- Liquidity risk (as described above)

See Note 23 of the Financial Statements which presents information about the Company's exposure to each of the above risk, the Company's objectives, policies, and processes for measuring risks, and the Company's management of capital.

The Board of Directors oversees management's establishment and execution of the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from oil marketing. The Company has a one-year contract in partnership with large regional producers to jointly market export volumes. The contract is re-tendered each year, with recent premiums to Indonesian Crude Price ("ICP") ranging from US$0.50-$5.00/bbl. Credit risk is reduced through letters of credit provided by state backed Indonesian banks. The maximum exposure to credit risk is as follows:

($ thousands)	Year ended December 31, 2025	Year ended December 31, 2024
Cash and cash equivalents	**$1,986**	$2,307
Trade receivables	**476**	553
Other receivables	**69**	84
Total accounts receivable	**545**	637
Prepaids and deposits (including long-term)	**1,033**	1,132
VAT receivable	**5,526**	6,211
Total exposure	**$9,090**	$10,287

MARKET RISK

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk in changes in foreign exchange rates relates primarily to the Company's operating activities and the Company's net investments in foreign subsidiaries and joint ventures. The Company's transactions are principally denominated in the local currency, the Indonesian Rupiah. However, payments to governments such as corporate income taxes, are paid in United States Dollars. While the Company does not specifically mitigate this risk, it does enter into IDR/USD swap positions from month to month, for the purposes of ensuring liquidity for its IDR denominated operating expenses.

Interest rate risk

Interest rate risk is the risk that future cash flows or valuations of assets or liabilities will fluctuate as a result of changes in market interest rates. Currently, the Company's borrow facilities have fixed interest rates. However, when these facilities mature, they may be replaced with facilities subject to future market interest rates which may increase or decrease the Company's cost of capital.

CAPITAL MANAGEMENT

The Company's capital structure includes working capital, shareholders' equity, and amounts available under borrowing facilities. The Company's objective when managing capital is to maintain a flexible capital structure which allows it to execute its growth strategy through expenditures on property, plant, and equipment and exploration and development activities while maintaining a strong financial position. Currently, total capital resources available include working capital and debt (see Note 23 of the consolidated financial statements).

DIVIDEND ADVISORY

Criterium's future shareholder distributions, including but not limited to the payment of dividends, if any, and the level thereof is uncertain. Any decision to pay dividends on the common shares (including the actual amount, the declaration date, the record date and the payment date in connection therewith and any special dividends) will be subject to the discretion of the Board of Directors of Criterium and may depend on a variety of factors, including, without limitation, Criterium's business performance, financial condition, financial requirements, growth plans, expected capital requirements and other conditions existing at such future time including, without limitation, contractual restrictions. There can be no assurance that Criterium will pay dividends in the future. As the Company does not intend to declare dividends, any gain on an investment in the Company will need to come through an increase in the stock's price.

FORWARD LOOKING STATEMENTS

Certain statements in this MD&A that are not based on historical facts constitute forward-looking information. Forward-looking information is not a promise or guarantee of future performance but is only a prediction that relates to future events, conditions or circumstances or the Company's future results, performance, achievements or developments and is subject to substantial known and unknown risks, assumptions, uncertainties and other factors that could cause the Company's actual results, performance, achievements or developments in its business or industry to differ materially from those expressed, anticipated or implied by such forward-looking information. Forward-looking statements include statements regarding the outlook for the Company's future operations, plans and timing for the introduction or enhancement of its services and products, statements concerning strategies or developments, statements about future market conditions, supply conditions, end customer demand conditions, channel inventory and sell through, revenue, gross margin, operating expenses, profits, forecasts of future costs and expenditures, and other expectations, intentions and plans that are not historical fact. The forward-looking statements in this MD&A are based on certain factors and assumptions regarding expected growth, results of operations, performance and business prospects and opportunities. Specifically, management has assumed that the Company's performance will meet management's internal projections. While management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Readers are cautioned not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. Readers are also advised to consider such forward-looking statements in light of the risk factors and uncertainties that may affect the Company's actual results, performance, achievements or developments.

The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable law. Further information concerning risks and uncertainties associated with these forward-looking statements and the Company's business may be found in the Company's other filings.

CRITICAL ACCOUNTING ESTIMATES

Management makes judgments and assumptions about the future in deriving estimates used in preparation of these consolidated financial statements in accordance with IFRS Accounting Standards. Sources of estimation uncertainty include estimates used to determine the economic viability of exploration and evaluation costs, the recoverable amount of long-lived assets or cash generating units ("CGUs"), the fair value of financial instruments, the provision for decommissioning liabilities, the provision for income taxes and the related deferred tax assets and liabilities, and the expenses recorded for stock-based compensation.

The identifiable assets and liabilities associated with the purchase price allocation have been measured at their individual fair values on the date of acquisition. Determinations of fair value often require management to make assumptions and estimates about future events. The purchase price allocation is based on management's best estimate at the time of the preparation of the consolidated financial statements.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The CEO and CFO, along with participation from other members of management, are responsible for establishing and maintaining adequate Internal Control over Financial Reporting ("ICFR") to provide reasonable assurance regarding the reliability of consolidated financial statements prepared in accordance with IFRS Accounting Standards. The Company's CEO and CFO, with support of management have assessed the design and operating effectiveness of the Company's ICFR as at December 31, 2025 based on criteria described in "Internal Control - Integrated Framework" issued in 2013 by the Committee of Sponsoring Organization of the Treadway Commission. Based on this assessment, it was concluded that the design and operation of the Company's ICFR are effective as at December 31, 2025. During the three months ended December 31, 2025, there has been no change in the Company's ICFR that has materially affected, or is reasonably likely to materially affect, the Company's ICFR.

ADVISORIES

The Company uses the following industry terms in the MD&A and other disclosures: "bbl" refers to barrels, "bbl/d" refers to barrels per day, "mbbl" refers to thousand barrels, "mcf" refers to thousand cubic feet, "mcf/d" refers to thousand cubic feet per day, "mmcf" refers to million cubic feet, "MMbtu" refers to one million British thermal units, "boe" refers to barrel of oil equivalent, "boe/d" refers to barrels of oil equivalent per day, and "mboe" refers to thousand barrels of oil equivalent. Disclosure provided herein in respect of a boe may be misleading, particularly if used in isolation. A boe conversion rate of six thousand cubic feet of natural gas to one barrel of oil equivalent has been used in the calculation of the boe amounts in the MD&A. The boe conversion rate is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

SUMMARY OF QUARTERLY AND ANNUAL RESULTS

($ thousands, except per share amounts)	**Q4 2025** (1)	Q3 2025 (1)	Q2 2025 (1)	Q1 2025 (1)	Q4 2024 (1)	Q3 2024 (1)	Q2 2024 (1)	Q1 2024 (1)
Gross oil sales	**4,675**	6,898	7,542	14,636	5,526	8,240	7,952	8,162
Cash flow from operating activities	**4,126**	333	64	231	474	1,513	(416)	(2,205)
Net income (loss)	**(8,648)**	(3,760)	(1,378)	(1,171)	(4,712)	(1,306)	(1,485)	(2,413)
Per share – basic and diluted	**(0.06)**	(0.03)	(0.01)	(0.01)	(0.03)	(0.01)	(0.01)	(0.02)

(1) The diluted number of shares is equivalent to the basic number of shares due to stock options, performance and restricted awards, and/or warrants being antidilutive in periods where the Company has a "net loss". Therefore, the diluted per share amounts in these periods are equivalent to the basic per share amounts.

Significant factors and trends that have impacted the Company's results in the above periods include:

- The volatility in the ICP benchmark, and the resulting effect on royalty revenue, cash flows and net loss.
- Impairment resulting in a net loss in Q4 2025.
- Delays in the December 2024 oil lifting, with oil produced to inventory and sold in early January 2025, resulted in significantly lower revenues for Q4 2024 and higher revenues for Q1 2025.
- Capital expenditures related to the drilling of the MGH-43 well in the Tungkal PSC in Q3 and Q4 2024 and the capital expenditures related Southeast Mengoepeh gas development in 2025.
- The acquisition of Mont D'Or Petroleum Limited in Q1 2024 and the costs associated with that, including but not limited to financing costs, legal costs, filing costs and deposits.