

ATHA ENERGY CORP.

NOTICE OF MEETING OF THE HOLDERS OF SUBSCRIPTION RECEIPTS

NOTICE IS HEREBY GIVEN that a meeting (the "**Meeting**") of the holders of the subscription receipts (the "**Subscription Receipts**") issued by ATHA Energy Corp. ("**ATHA**" or the "**Corporation**") and governed pursuant to the subscription receipt agreement dated October 24, 2022 (as amended from time to time, the "**Subscription Receipt Agreement**") between ATHA and Odyssey Trust Company, in its capacity as the subscription receipt agent (the "**Subscription Receipt Agent**"), will be held at the offices of the Corporation at 1250-1066 Hastings St. W Vancouver, British Columbia V6E 3X1 at 10:00 a.m. (Vancouver time) on March 31, 2023 for the following purpose:

1. to consider and, if deemed advisable, pass an extraordinary resolution (the "**Subscription Receipt Agreement Amendment Resolution**") to amend the Subscription Receipt Agreement to extend the deadline applicable to the Subscription Receipts until 4:00 p.m. (Vancouver time) on April 30, 2023, all as more fully described in the accompanying management information circular (the "**Circular**"); and
2. to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

The Circular provides full particulars of the matters to be dealt with at the Meeting and forms part of this notice. The full text of the Subscription Receipt Agreement Amendment Resolution is set out under the sub-heading "Amendment to the Subscription Receipt Agreement" in the Circular.

The board of directors of the Corporation (the "**Board of Directors**") has fixed the record date as of March 10, 2023 (the "**Record Date**") for the purpose of determining the holders of Subscription Receipts entitled to receive notice of and to vote at the Meeting or any adjournment or postponement thereof. Each holder of Subscription Receipts on the Record Date will have one vote in respect of the Subscription Receipt Agreement Amendment Resolution for each Subscription Receipt held by such person as at the close of business on the Record Date.

The Subscription Receipt Agreement Amendment Resolution must receive affirmative votes from holders of Subscription Receipts holding not less than 66⅔% of the issued and outstanding Subscription Receipts present or represented by proxy at the Meeting, or any adjournment or postponement thereof, to be passed. If the Subscription Receipt Agreement Amendment Resolution is passed in accordance with the provisions of the Subscription Receipt Agreement at the Meeting, or any adjournment or postponement thereof, it will be binding upon all the holders of Subscription Receipts, whether present at or absent from the Meeting, and the Subscription Receipt Agent will be bound to give effect to the Subscription Receipt Agreement Amendment Resolution.

Registered owners who hold their Subscription Receipts in their own name who receive materials directly from ATHA and its agents may vote their Subscription Receipts by following the instructions set out in the accompanying voting instruction form and Circular. Certain owners of Subscription Receipts may hold their Subscription Receipts through brokers or other intermediaries ("**Beneficial Owners**"). Beneficial Owners who receive materials through an intermediary must follow the instructions provided by the intermediary with this notice and the accompanying Circular in order to vote their Subscription Receipts at the Meeting. Beneficial Owners who do not complete and return the materials provided by an intermediary in accordance with such intermediary's instructions may lose the right to vote at the Meeting, either in person or by proxy.

Holders of Subscription Receipts with any questions regarding the deposit of proxies or other voting procedures in connection with the Meeting, should contact Odyssey Trust Company by telephone at 1-587-885-0960 or by e-mail at Corptrust@Odysseytrust.com.

DATED at Vancouver, British Columbia, this 10th day of March, 2023.

By Order of the Board of Directors,

(signed) "*Mike Castanho*"

Mike Castanho
CEO

ATHA ENERGY CORP.

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This Management Information Circular (the "Circular") is being furnished in connection with the solicitation of proxies by or on behalf of the management (the "Management") of ATHA Energy Corp. ("ATHA" or the "Corporation") for use at the meeting (the "Meeting") of the holders of the subscription receipts (the "Subscription Receipts") issued by ATHA and governed pursuant to the subscription receipt agreement dated October 24, 2022 (as amended from time to time, the "Subscription Receipt Agreement") between ATHA and Odyssey Trust Company, in its capacity as the subscription receipt agent (the "Subscription Receipt Agent"), to be held at the offices of the Corporation at 1250-1066 Hastings St. W Vancouver, British Columbia V6E 3X1 at 10:00 a.m. (Vancouver time) on March 31, 2023, or at any adjournment or postponement thereof, for the purpose set forth in the notice of meeting (the "Notice of Meeting") accompanying this Circular. Except as otherwise stated, the information contained in this Circular is given as of March 10, 2023 and all currency amounts are stated in Canadian dollars. Capitalized terms used but not otherwise defined in this Circular have the respective meanings given to such terms in the Subscription Receipt Agreement.

It is expected that the solicitation of proxies will be primarily effected by mail. Proxies may, however, also be solicited personally, by telephone, e-mail, internet, facsimile or other means of communication by officers, employees and agents of the Corporation. The cost of such solicitation will be borne by ATHA and ATHA will reimburse its agents for permitted fees and costs incurred by them in mailing soliciting materials to the Beneficial Owners (as such term is defined below) of Subscription Receipts.

Holders of Subscription Receipts with any questions regarding the deposit of proxies or other voting procedures in connection with the Meeting should contact the Subscription Receipt Agent by telephone at 1-587-885-0960 or by e-mail at Corptrust@Odysseytrust.com.

ATHA will not be sending proxy-related materials in connection with the Meeting to either the registered holders of the Subscription Receipts or Beneficial Owners using the notice-and-access delivery procedures set out in National Instrument 51-102 – *Continuous Disclosure Obligations* and National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") of the Canadian Securities Administrators.

APPOINTMENT AND REVOCATION OF PROXIES

Each person named in the form of proxy or voting instruction form accompanying this Circular is an executive officer of the Corporation and will represent Management at the Meeting. **A holder of Subscription Receipts has the right to appoint a person (who need not be a holder of Subscription Receipts) other than the Management nominees designated in the enclosed form of proxy or voting instruction form to represent such holder of Subscription Receipts at the Meeting. Such right may be exercised by inserting the desired person's name in the blank space provided on the form of proxy or voting instruction form, as applicable.**

A holder of Subscription Receipts who has deposited a proxy for use at the Meeting may revoke such proxy at any time prior to its use. In addition to the revocation of a proxy in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing, including another proxy, duly executed by the holder of Subscription Receipts or his or her attorney authorized in writing, or, if the holder of Subscription Receipts is a corporation, executed under its corporate seal or by a duly authorized officer thereof, and deposited with the Subscription Receipt Agent as provided below.

Only the registered holder of the Subscription Receipts has the right to revoke a proxy in the manner described above. If you are a Beneficial Owner and wish to change your vote, you must arrange for the Subscription Receipt Agent or the Intermediary (as such term is defined below) in whose name your Subscription Receipts are registered, as applicable, to revoke the proxy or voting instructions given on your behalf in accordance with the instructions provided by the Subscription Receipt Agent or such Intermediary. It should be noted that the revocation of proxies or voting instructions by a Beneficial Owner can take several days or even longer to complete and, accordingly, any such revocation should be completed well in advance of the deadline prescribed in the form of proxy or voting instruction form accompanying this Circular, to ensure it is given effect in respect of the Meeting or any postponement or adjournment thereof. See "Beneficial Owners of Subscription Receipts" for additional information on the voting procedures applicable to Beneficial Owners.

DEPOSIT OF PROXIES

In order to appoint a proxy nominee to represent, attend and act on behalf of a holder of Subscription Receipts at the Meeting, such holder of Subscription Receipts must properly complete, sign and deposit the enclosed form of proxy with the Subscription Receipt Agent by mail or courier using the enclosed envelope for such purpose or electronically using any of the methods noted in the attached form of proxy, in each case, no later than 10:00 a.m. (Vancouver time) on March 29, 2023 (or, in the event that the Meeting is adjourned or postponed, no later than 48 hours, excluding Saturdays, Sundays and holidays, prior to the date fixed for the adjourned or postponed meeting). The time limit for the deposit of proxies may, however, be waived or extended by the Chair of the Meeting at his or her discretion without notice.

DISCRETIONARY AUTHORITY AND VOTING OF PROXIES

The form of proxy or voting instruction form accompanying this Circular, when properly completed and delivered to the Subscription Receipt Agent, confers discretionary authority upon the proxy nominees named therein in respect of amendments to or variations of matters identified in the Notice of Meeting or other matters that may properly come before the Meeting or any adjournment or postponement thereof. As of the date of this Circular, Management is not aware of any such amendments or variations or other matters to come before the Meeting. However, if any amendments, variations or other matters which are not now known to Management should properly come before the Meeting, or any adjournment or postponement thereof, the Subscription Receipts represented by proxies in favour of the Management

nominees named in the enclosed form of proxy or voting instruction form will be voted on such matters in accordance with the best judgment of such proxy nominees.

On any poll that may be called for at the Meeting, or any postponement or adjournment thereof, the Subscription Receipts represented by proxies deposited in favour of the Management nominees named in the enclosed form of proxy or voting instruction form will be voted for or against the extension of the deadline applicable to the Subscription Receipts under the Subscription Receipt Agreement in accordance with the instructions provided by each holder of Subscription Receipts. **In the event that no voting instructions have been provided by a holder of Subscription Receipts, the Subscription Receipts represented by proxies in favour of the Management nominees will be voted in favour of the resolution to amend the Subscription Receipt Agreement to extend the deadline applicable to the Subscription Receipts to 4:00 p.m. (Vancouver time) on April 30, 2023.**

BENEFICIAL OWNERS OF SUBSCRIPTION RECEIPTS

Only the registered holder of the Subscription Receipts or its duly appointed proxy nominees are permitted to attend in person and vote at the Meeting. Certain of the issued and outstanding Subscription Receipts may be registered in the name of, or held by, various dealers or other participants in the Book-Entry System (each, an "**Intermediary**") who in turn hold the Subscription Receipts (either directly or indirectly through one or more other Intermediaries) for their respective customers and accounts, who are the beneficial owners of the Subscription Receipts (each, a "**Beneficial Owner**"). Subscription Receipts registered in the name of an Intermediary can only be voted upon instructions being provided by the Beneficial Owners. Without specific instructions, Intermediaries are prohibited from voting the Subscription Receipts held on behalf of their clients. Therefore, Beneficial Owners should ensure that instructions in respect of the voting of their Subscription Receipts are communicated to the appropriate person by the appropriate time to be voted at the Meeting or any postponement or adjournment thereof.

Beneficial Owners should carefully follow the instructions in the form of proxy or voting instruction form accompanying this Circular or provided by their Intermediary, as applicable, including those regarding when, where and by what means their voting instructions or form of proxy, as applicable, must be delivered. Properly completed proxies and voting instruction forms must be delivered by the Beneficial Owners or their Intermediaries (or their service companies), as applicable, with the Subscription Receipt Agent no later than 10:00 a.m. (Vancouver time) on March 29, 2023 (or, in the event that the Meeting is adjourned or postponed, no later than 48 hours, excluding Saturdays, Sundays and holidays, prior to the date fixed for the adjourned or postponed meeting) to be used at the Meeting or any adjournment or postponement thereof.

RECORD DATE

In accordance with applicable laws, the board of directors of the Corporation (the "**Board of Directors**") has fixed the record date as of March 10, 2023 (the "**Record Date**") for the purposes of determining the holders of Subscription Receipts entitled to receive notice of and to vote at the Meeting. Only holders of Subscription Receipts of record at the close of business on the Record Date will be entitled to vote at the Meeting or any adjournment or postponement thereof.

VOTING OF SUBSCRIPTION RECEIPTS AND PRINCIPAL HOLDERS THEREOF

As at the Record Date, ATHA had 33,725,000 issued and outstanding Subscription Receipts. The aggregate number of common shares of ATHA (the "**Common Shares**") issuable to the holders of Subscription Receipts (the "**Underlying Common Shares**") pursuant to the Subscription Receipt Agreement is 33,725,000 Underlying Common Shares. In accordance with the terms and conditions of the Subscription Receipt Agreement, each holder of Subscription Receipts present in person or represented by proxy at the

Meeting, or any adjournment or postponement thereof, will be entitled to one vote in respect of each Subscription Receipt held by such person as at the close of business on the Record Date.

Holders of Subscription Receipts as at the close of business on the Record Date are entitled to receive the Notice of Meeting and vote at the Meeting or any adjournment or postponement thereof. A holder of Subscription Receipts who wishes to be represented by proxy at the Meeting must properly complete and deliver the enclosed form of proxy or voting instruction from to the Subscription Receipt Agent or the Intermediary in whose name its Subscription Receipts are registered, as applicable, to entitle the proxy nominee appointed by such holder of Subscription Receipts to attend and vote at the Meeting or any adjournment or postponement thereof.

QUORUM AND VOTES NECESSARY TO PASS RESOLUTIONS AT THE MEETING

The Subscription Receipt Agreement provides that the quorum for a meeting of the holders of Subscription Receipts at which an extraordinary resolution, such as the Subscription Receipt Agreement Amendment Resolution (as such term is defined below), is proposed consists of holders of Subscription Receipts present in person or by proxy representing at least 25% of the aggregate number of Underlying Common Shares to be received pursuant to the outstanding Subscription Receipts ("**Quorum**"). If Quorum is not present within 30 minutes after the time for holding the Meeting, the Meeting will stand adjourned to such day, being not less than five Business Days or more than 10 Business Days later, and to such place and time, as is appointed by the chairman of the Meeting.

In order for the Subscription Receipt Agreement Amendment Resolution to be passed, holders of Subscription Receipts who hold in the aggregate not less than 66 $\frac{2}{3}$ % of the Subscription Receipts represented at the Meeting and voting on the applicable motion in person or by proxy at the Meeting or any adjournment or postponement thereof must vote in favour of the Subscription Receipt Agreement Amendment Resolution.

PARTICULARS OF MATTER TO BE ACTED UPON AT THE MEETING

Amendment to Subscription Receipt Agreement

At the Meeting, the holders of Subscription Receipts are being asked to consider and, if deemed advisable, pass an extraordinary resolution (the "**Subscription Receipt Agreement Amendment Resolution**") to amend the definition of "Outside Date" set out in the Subscription Receipt Agreement to extend the deadline applicable to the Subscription Receipts to 4:00 p.m. (Vancouver time) on April 30, 2023 (the "**Extended Deadline**").

The full text of the Subscription Receipt Agreement Amendment Resolution is set out below under the sub-heading "Subscription Receipt Agreement Amendment Resolution".

Background to the Amendment to the Subscription Receipt Agreement

The Subscription Receipt Agreement initially established the Outside Date for satisfying the Escrow Release Conditions as January 31, 2023. Pursuant to Extraordinary Resolution (as defined in the Subscription Receipt Agreement), the Outside Date was previously extended to March 31, 2023. While regulatory approvals are well underway and the Corporation expects to be able to complete the process on or prior to March 31, 2023, the Corporation also believes that it is prudent to seek a further extension of the Outside Date as a precautionary measure in the event of any unforeseen delay. As such, the Corporation is seeking an extension of such deadline to complete the transactions.

Effect of the Amendment to the Subscription Receipt Agreement

If the holders of Subscription Receipts pass the Subscription Receipt Agreement Amendment Resolution, the Subscription Receipt Agreement will be amended such that the Escrow Release Conditions will be required to be satisfied or waived by the Extended Deadline. The approval of the Subscription Receipt Agreement Amendment Resolution will not result in any other changes to the terms of the Subscription Receipt Agreement.

Accordingly, if the Escrow Release Conditions are satisfied prior to the Extended Deadline, the holders of Subscription Receipts will receive one Common Share for each Subscription Receipt held.

In addition, ATHA will receive, in accordance with the provisions of the Subscription Receipt Agreement, an amount equal to the proceeds from the issuance of the Subscription Receipts, being approximately \$33.7 million, net of fees and expenses related to the Subscription Receipts offering.

Alternatively, if the Escrow Release Conditions are not satisfied prior to the Extended Deadline, the holders of Subscription Receipts will receive: (i) \$0.50 in respect of each Subscription Receipt; and (ii) their *pro rata* share of the Earned Interest as of the Extended Deadline or date of termination, as applicable.

Even if holders of Subscription Receipts approve the Subscription Receipt Agreement Amendment Resolution at the Meeting or any adjournment or postponement thereof, there can be no assurance that the CSE will approve the listing of ATHA's shares prior to the Extended Deadline or at all.

Additional Information

Additional details concerning the Subscription Receipts, including a copy of the Subscription Receipt Agreement, have been disclosed by ATHA and are available under ATHA's issuer profile on SEDAR at www.sedar.com.

Subscription Receipt Agreement Amendment Resolution

For the reasons described above, the Board of Directors unanimously recommends that the holders of Subscription Receipts vote "**FOR**" the following extraordinary resolution, which in accordance with the Subscription Receipt Agreement must be approved by the holders of Subscription Receipts holding not less than 66⅔% of the issued and outstanding Subscription Receipts present or represented by proxy at the Meeting and voted upon on a poll:

BE IT RESOLVED THAT:

1. The defined term "Outside Date" contained in Section 1.1 of the Subscription Receipt Agreement be deleted in its entirety and replaced with the following:

"Outside Date" means April 30, 2023;".

2. ATHA and the Subscription Receipt Agent be and are hereby authorized and directed to execute and deliver an amending agreement to give effect to the amendments to the Subscription Receipt Agreement approved in these resolutions.
3. ATHA and the Subscription Receipt Agent be and are hereby authorized and directed to execute, or cause to be executed, and to deliver all such agreements, instruments and documents, and to perform and do, or cause to be done, all such other acts and things as they may deem to be necessary or advisable for the purpose of giving effect to the foregoing resolutions.

THE BOARD OF DIRECTORS HAS UNANIMOUSLY DETERMINED THAT IT IS IN THE BEST INTERESTS OF THE HOLDERS OF SUBSCRIPTION RECEIPTS TO AMEND THE SUBSCRIPTION RECEIPT AGREEMENT TO EXTEND THE DEADLINE APPLICABLE TO THE SUBSCRIPTION RECEIPTS UNTIL APRIL 30, 2023 AND THEREFORE RECOMMENDS THAT HOLDERS OF SUBSCRIPTION RECEIPTS VOTE FOR THE SUBSCRIPTION RECEIPT AGREEMENT AMENDMENT RESOLUTION.

ADDITIONAL INFORMATION

Additional information relating to ATHA can be found in under its SEDAR profile at www.sedar.com.

Holders of Subscription Receipts with any questions regarding the deposit of proxies or other voting procedures in connection with the Meeting, should contact Odyssey Trust Company by telephone at 1-587-885-0960 or by e-mail at Corptrust@Odysseytrust.com.

DATED at Vancouver, British Columbia, this 10th day of March, 2023.

By Order of the Board of Directors,

(signed) "*Mike Castanho*
CEO