



SINTANA
ENERGY

MD&A|Q1 2023

TSX-V | SEI

SINTANA ENERGY INC.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

THREE MONTHS ENDED MARCH 31, 2023

(EXPRESSED IN CANADIAN DOLLARS, UNLESS OTHERWISE STATED)

UNAUDITED

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of Sintana Energy Inc. ("Sintana") have been prepared by, and are the responsibility of, management. The unaudited condensed interim consolidated financial statements have not been reviewed by Sintana's auditors.

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Sintana Energy Inc.
Management's Discussion & Analysis – Quarterly Highlights
Three Months Ended March 31, 2023
Discussion dated: May 26, 2023

Introduction

The following interim Management's Discussion & Analysis ("Interim MD&A") of Sintana Energy Inc. ("Sintana" or the "Company") for the three months ended March 31, 2023 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended December 31, 2022. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the years ended December 31, 2022, and December 31, 2021, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three months ended March 31, 2023, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34 - Interim Financial Reporting. Accordingly, information contained herein is presented as of May 26, 2023, unless otherwise indicated.

For purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors (the "Board"), considered the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Sintana common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; and / or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluated materiality with reference to all relevant circumstances, including potential market sensitivity.

Information about the Company and its operations can be obtained from the offices of the Company or on the System for Electronic Documents Analysis and Retrieval ("SEDAR") and is available for review under the Company's profile on the SEDAR website (www.sedar.com).

Description of Business

Sintana is a Canadian crude oil and natural gas ("hydrocarbons") exploration and development company listed on the TSX Venture Exchange ("TSXV"). Its trading symbol changed from SNN to SEI effective as of the market open on August 10, 2015, subsequent to the business combination with Sintana Holdings Corp. Sintana is primarily engaged in hydrocarbons exploration and development activities in Namibia and also holds interests in Colombia. The Company's exploration strategy is to acquire, explore, develop and produce superior quality assets with significant hydrocarbon reserves potential. Its primary assets are held through its 49% interest in all of the issued and outstanding shares of Inter Oil (Pty) Ltd. ("Inter Oil"). Inter Oil is a private Namibian company which indirectly holds a strategic portfolio of offshore petroleum exploration license ("PEL") including (i) a 15% carried interest in PEL 87; (ii) a 10% carried interest in each of PELs 82 and 83; and (iii) a 10% carried interest in PEL 90. Inter Oil also holds a 30% interest in a subsidiary which, in turn, holds a 90% interest in onshore PEL 103. In addition, Sintana holds private participation interests of 25% unconventional (carried) and 100% conventional in the potential hydrocarbon resources of the 43,158 acres Valle Medio Magdalena 37 ("VMM-37") Block in Colombia.

On November 12, 2012, Sintana announced that a wholly-owned Panama subsidiary of the Company, Patriot Energy Oil and Gas Inc. and its wholly-owned Colombian branch, Patriot Energy Sucursal Colombia, (both entities hereinafter referred to as "Patriot") had entered into a Farmout Agreement (the "Exxon Agreement") with ExxonMobil Exploration Colombia Limited and ExxonMobil Exploration Colombia Limited Sucursal Colombia (both entities hereinafter referred to as "Exxon")

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for the exploration and development of unconventional hydrocarbons resources underlying the VMM-37 Block. In April 2013, the Agencia Nacional de Hidrocarburos (“ANH”) approved the acquisition by Exxon of an undivided 70% private participation interest and operatorship in the formations defined as unconventional by completing the contractually required work program specified in the License Contract for the VMM-37 Block.

On March 8, 2022, the Company completed the acquisition of 49% of the outstanding shares of Inter Oil from Grisham Assets Corp., a private company owned by Mr. Knowledge Katti. Inter Oil is a private Namibian company which indirectly holds interests in the five PELs. In connection with the transaction

Cautionary Note Regarding Forward-Looking Information

This Interim MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as “forward-looking statements”). These statements relate to future events and / or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
The Company will be able to remain a going concern and continue its business activities	The Company has anticipated all material costs; the operating and exploration activities of the Company for the twelve-months period ending March 31, 2024, and the costs associated therewith, will be consistent with the Company's current expectations regarding costs and timing	Unforeseen costs to the Company will arise; any particular operating cost increase or decrease from the date of estimate, including with respect to loss of or change in joint venture partners or in ability to secure joint venture partners, as applicable; changes in operating and exploration activities; changes in economic conditions; timing of expenditures
The Company's need to raise additional capital in order to meet its working capital needs. See “Liquidity and Financial Position” below	The exploration and operating activities of the Company on a going forward basis, and the costs associated therewith, will be consistent with Sintana's current expectations; debt and equity markets; exchange and interest rates and other applicable economic conditions will be favourable to Sintana; availability of financing	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; changes in operating and exploration activities; interest and exchange rates fluctuations; changes in economic conditions, planned operations and associated costs

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<p>The potential of Sintana's participation interests to contain hydrocarbons reserves that may and can be developed, produced and sold at rates and costs that result in an adequate financial return on invested capital. See "Petroleum and Natural Gas Update" below</p>	<p>Financing will be available for future exploration and development of Sintana's private participation interests; the actual results of exploration and development activities will be favourable; operating, exploration, development and production costs will not exceed expectations; the Company will be able to retain and attract skilled staff and joint venture partners, as necessary; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to Sintana; applicable political and economic conditions will be favourable; the market prices for hydrocarbons and applicable interest and exchange rates will be favourable; no legal disputes exist or arise with respect to the Company's private participation interests; Sintana's expectations regarding the potential of its participation interests to contain hydrocarbons reserves</p>	<p>Price volatility for hydrocarbons; uncertainties involved in interpreting geological and geophysical data and Sintana's expectations regarding the conventional and unconventional plays and uncertainties in confirming valid private participation interests; the possibility that future exploration results will not be consistent with Sintana's expectations; availability of financing for and actual results of Sintana's exploration and development activities; increases in costs, including as a result of the loss of or change in joint venture partners or inability to secure joint venture partners, as applicable; environmental compliance and changes in environmental and other local legislation and regulation; interest and exchange rates fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff and obtain all required permits in a timely manner on acceptable terms</p>
<p>Management's outlook regarding future trends. See "Trends and Economic Conditions"</p>	<p>Financing will be available for exploration and operating activities; the market prices for hydrocarbons will be favourable; economic and political conditions will be favourable</p>	<p>Price volatility for hydrocarbons; changes in debt and equity markets; interest and exchange rates fluctuations; changes in economic and political conditions; availability of financing</p>
<p>Inter Oil, which indirectly holds interests in the five PELs, will successfully explore and develop the PELs. See "Petroleum and Natural Gas Update" below</p>	<p>Inter Oil will continue to proceed with the projects; the market prices of hydrocarbons will be favourable; all requisite permits, equipment, materials, supplies, services, partners, access and personnel will be obtained in a timely manner upon acceptable terms; proposed exploration and development activities and the costs associated therewith will occur as anticipated; actual results of exploration are positive; financing will be available upon acceptable terms, as applicable;</p>	<p>Price volatility for hydrocarbons; changes in debt and equity markets; increases in costs; interest rates and exchange rates fluctuations; changes in economic, contractual, regulatory and political conditions; availability of permits, equipment, materials, supplies, services, partners, access, personnel and financing; proposed exploration and development activities will not occur as anticipated; actual results of</p>

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	political, contractual, regulatory and economic considerations will remain favourable	exploration are inconsistent with expectations
The currently dormant (8+ years) arbitration proceeding, if ever reopened, will not result in an adverse ruling and significant additional costs	The currently dormant arbitration proceeding will not be reopened and if it is the outcome will not result in a significant award of damages	The now dormant arbitration proceeding is reopened and results in significant additional costs

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Sintana's ability to predict or control. Additional risk factors are described in the "Risk Factors" section below. Readers are cautioned that the above table does not contain an exhaustive list of any and all relevant factors and / or assumptions that could affect forward-looking statements, and that assumptions underlying such statements might prove to be incorrect. Actual results and developments are likely to materially differ from those expressed or implied by forward-looking statements contained in this Interim MD&A.

Forward-looking statements involve known and unknown risks, including regulatory, contractual and political risks, uncertainties and other factors that could cause Sintana's actual results, performance and / or achievements to be materially different from any of its projected results, performance and / or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly, or otherwise revise, any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law and / or regulation. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Certain information contained herein is considered "analogous information" as defined in National Instrument 51-101 ("NI 51-101"). Such analogous information has not been prepared in accordance with NI 51-101 and the Canadian Oil and Gas Evaluation Handbook. In particular, this document may note specific analogous oil discoveries and corresponding details of said discoveries in the area of the Company's private participation interests and makes certain assumptions about such interests as a result of such analogous information and potential recovery rates as a result thereof. Such information is based on public data and information obtained from the public disclosure of other parties who are active in the area, and the Company has no way of verifying the accuracy of such information and cannot determine whether the source of the information is independent. Such information, when presented, is intended to help demonstrate that hydrocarbons could be present in commercially recoverable quantities in the five PELs as well as the VMM-37 Block. There is no certainty that such results will be achieved by the Company and such information should not be construed as estimates of future reserves or resources or future production levels of Sintana.

Trends and Economic Conditions

The Company is focused on the acquisition, exploration, development, production and / or sales of hydrocarbons resources.

There are significant uncertainties regarding the market prices for hydrocarbons and the availability of equity and / or other financing for the purposes of acquisition, exploration, development, production and / or sales activities. The future performance of the Company is largely tied to the successful exploration, development and production of its property interests; associated regulatory actions, including approval of contracts, permits and work programs to drill, hydraulically stimulate and produce wells; associated sales of hydrocarbons and overall financial markets. Financial and commodities markets are likely to be volatile, reflecting ongoing concerns regarding the impact of COVID-19 and the war in Ukraine, the

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stability of the global economy and global growth prospects. Uncertainties in financial and commodities markets and delays in regulatory actions have also led to increased difficulties in borrowing and raising funds. Energy companies worldwide have been materially and adversely affected by these trends. As a result, the Company might encounter difficulties raising equity and / or other capital without excessively diluting the interests of existing shareholders. These trends may limit the ability of the Company to further explore and / or develop hydrocarbons resources discovered on its applicable property interests.

The volatility of financial and commodities markets is a significant risk for the Company and the industry. As a result, investors might divest assets perceived as higher risk in comparison to other investments. Companies similar to Sintana are considered substantially above average risk investments and are highly speculative. The volatility of markets, and investor sentiment, could make it difficult for Sintana to access capital markets in order to raise the capital it will need to fund future expenditures. See also "Risk Factors".

Financial and Operational Highlights

There were no activities during the three months ended March 31, 2023.

Petroleum and Natural Gas Update

Exploration Expenditures

	Three Months Ended March 31, 2023 \$	Three Months Ended March 31, 2022 \$
Exploration Expenditures		
Magdalena Basin, Colombia		
Administrative and general	nil	1,092
Total	nil	1,092

VMM-37 Block (Sintana: Conventional – 100% private participation interest; Unconventional – 25% private participation interest - carried)

In March 2011, 100% of the License Contract covering the 43,158 acres VMM-37 Block in Colombia was awarded to Patriot, a wholly-owned branch of Sintana.

In November 2012, Patriot executed the Exxon Agreement whereby Exxon acquired contractual rights to an undivided 70% private participation interest and operatorship in the unconventional formations of the VMM-37 Block, subject to completion of a defined Work Program.

In April 2013, the ANH approved the acquisition by Exxon of an undivided 70% private participation interest and operatorship in the formations defined as unconventional effective as of when Exxon completes the Work Program (subsequently amended) as specified in the License Contract for the VMM-37 Block.

In September 2015, the Manati Blanco #1 well reached a measured depth of 14,345'. Primary targets for the well were the Cretaceous age La Luna and Tablazo/Paja tight oil formations. The well drilled through a gross total of approximately 2,600 feet in the La Luna and approximately 500 feet in the Tablazo/Paja formations.

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In October 2018, a Commission of Experts (academics from a number of disciplines) was appointed to review various potential aspects and outcomes of proceeding with hydraulic stimulation operations in unconventional formations. In February 2019, the Commission issued a report that summarized its findings and recommended that three tightly controlled comprehensive research pilot projects, with Ecopetrol being designated operator and holding participation interests in each pilot, be approved.

In September 2019, the Council of State, Colombia's senior court tasked with ruling on administrative matters, announced that four comprehensive research pilot projects would be considered for authorization subject to the satisfactory completion of a number of actions. The ANH was tasked with forming eight subject matter expert teams to develop regulations for planning, communications, measurement, monitoring, documentation, post completion evaluations and other core areas of focus in the execution of the pilot projects. Parties opposed to the pilots were granted the opportunity to challenge the recommendations of the ANH.

In September 2020, the Council of State, after reviewing the input of both the ANH and opposing parties, determined that the research pilot projects could proceed.

On October 8, 2020, the ANH issued requirements and a timeline for submission of bids for proposed research pilot projects and contract awards (a "CEPI"). Ecopetrol was awarded a CEPI (Kale) in a block approximately five miles northeast of the Manati Blanco #1 well location.

On April 7, 2021, the ANH announced that a CEPI (Platero) had been awarded to Exxon. It is located in the southwest quadrant of the VMM-37 Block. The Platero CEPI Contract was executed in June 2021.

On October 27, 2021, Ecopetrol applied for a Kale Pilot Project environmental permit which was subsequently granted on March 25, 2022.

On November 23, 2021, Sintana announced an Amendment to the Exxon Agreement (the "Amendment Agreement"). The Amendment Agreement provides Patriot the option to participate in post-contracts occurring after the Platero #1 CEPI work program is completed. In consideration of Exxon's work in connection with the CEPI, Patriot agreed to adjust its carried participation interest in the unconventional resources from 30% to 25%. Patriot and Exxon entered into the Amendment Agreement to reflect this adjustment and to ratify the commercial arrangement between the parties. Recently, Ecopetrol applied for a Platero Pilot Project environment permit.

On February 15, 2022, an environmental permit application was submitted for the drilling and hydraulic stimulation of the Platero #1 well on the VMM-37 Block.

On August 7, 2022, Mr. Gustavo Petro was inaugurated as President of Colombia. One of his objectives is to reduce Colombia production and use of hydrocarbons. His stated policy is to never allow hydraulic stimulation in, and production from, unconventional formations.

See also "Subsequent Event".

Namibia Acquisition

On March 8, 2022, Sintana announced that it had closed on the previously reported acquisition of a 49% ownership interest in Inter Oil which holds various interests in five PELs (1 onshore; 4 offshore).

Three of the offshore blocks are located in the Orange Basin.

- PEL 90 is immediately north of TotalEnergies recently announced Venus-1 discovery well – post-drill recoverable reserves, as reported by industry experts, are estimated to be in excess of 3 billion barrels. Two rigs are currently drilling and testing additional wells:
 - Inter Oil 10% (after farmout); approximately 1.3 million acres (gross); approximately 2,000 mi² (gross)

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- In October 2022, an affiliate of Inter Oil closed on a farmout agreement with Chevron. In exchange for 50% of the Inter Oil interest, Chevron will carry Inter Oil through initial exploration activities including a large 3D seismic program (recently completed) and the initial exploration well.
- PEL 83 is immediately north of Shell's recently announced Graff-1 discovery well – post-drill recoverable reserves, as reported by industry experts, are estimated to be in excess of 2 billion barrels. The Graff-1A and La Rona wells confirmed the discovery. Shell has announced a 10 well drilling program to further explore and test this highly prospective license.
 - Inter Oil 10%; approximately 2.4 million acres (gross); approximately 3,700 mi² (gross)
 - The license is also adjacent to the reported 1.3 TCF Kudu gas field currently being developed by BW Energy
 - Inter Oil is carried through the exploration phase of the work programs
- PEL 87 is immediately north of PEL 90 and contains one of the largest sub-sea fan complexes identified in Africa – the “Saturn Superfan”
 - Inter Oil 15%; approximately 2.7 million acres (gross); approximately 4,200 mi² (gross)
 - Inter Oil is carried for a 3D seismic program (recently completed) and one exploration well.
- The remaining licenses, PEL 82 and PEL 103 are in the research phase of exploration. No seismic programs or drilling activities are planned for 2023.

Technical Information

Douglas Manner, Chief Executive Officer of Sintana, has reviewed and verified the technical content of the information contained in this Interim MD&A.

Related Party Transactions

Related parties include directors, officers, close family members and enterprises that are controlled by the individuals listed below as well as certain persons performing similar functions. Related party transactions are conducted at standard commercial terms.

The below noted transactions occurred in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board in strict adherence to conflict of interest laws and regulations.

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Remuneration of directors and key management personnel of the Company was as follows:

Salaries and Benefits ⁽¹⁾ (Includes deferred)	Three Months Ended March 31, 2023 \$	Three Months Ended March 31, 2022 \$
Deferred salaries and benefits		
Keith D. Spickelmier - Director / Executive Chairman	nil	42,206
Douglas G. Manner - Director / Chief Executive Officer	nil	42,206
Robert Bose – Director / President	nil	45,539
David L. Cherry – Chief Operating Officer	nil	42,206
Sean J. Austin - Vice President, Controller, Corporate Secretary & Treasurer	nil	37,986
Bruno C. Maruzzo – Independent Director	nil	5,000
Dean Gendron – Independent Director	nil	5,000
Knowledge Katti - Independent Director	nil	1,667
Total deferred salaries and benefits	nil	221,810
Salaries and benefits paid		
Keith D. Spickelmier - Director / Executive Chairman	28,404	121,555
Douglas G. Manner - Director / Chief Executive Officer	28,404	45,583
Robert Bose – Director / President	28,404	106,000
David L. Cherry – Chief Operating Officer	28,404	89,900
Sean J. Austin - Vice President, Controller, Corporate Secretary & Treasurer	40,580	125,354
Bruno C. Maruzzo – Independent Director	8,274	30,000
Dean Gendron – Independent Director	8,274	30,000
Knowledge Katti – Independent Director	8,274	nil
Total salaries and benefits paid	179,018	548,392
Total	179,018	770,202

⁽¹⁾ Salaries and benefits include director fees. Balances for deferred compensation due to directors and key management personnel of \$3,535,151 are included in deferred compensation as at March 31, 2023 (December 31, 2022 - \$4,064,501) and include the retiring allowance payable to Lee A. Pettigrew.

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⁽²⁾ Effective as of July 31, 2016, the employment by the Company of Lee A. Pettigrew, former Vice President - Canadian Operations, ceased. Pursuant to his employment agreement, Mr. Pettigrew was entitled to 12 months base salary as a retiring allowance plus accumulated deferred compensation. As at March 31, 2023, he was owed \$142,887 (US\$105,584) (December 31, 2022 - \$143,003 (US\$105,584)) and this amount is reported as deferred compensation.

Share-based expense (Stock options and RSUs)	Three Months Ended March 31, 2023 \$	Three Months Ended March 31, 2022 \$
Keith D. Spickelmier - Director / Executive Chairman	37,339	186,850
Douglas G. Manner - Director / Chief Executive Officer	37,339	186,850
Robert Bose – Director / President	37,339	186,112
David L. Cherry – Chief Operating Officer	37,339	186,850
Sean J. Austin - Vice President, Controller, Corporate Secretary & Treasurer	37,339	186,850
Bruno C. Maruzzo – Independent Director	18,669	93,448
Dean Gendron - Independent Director	18,669	93,448
Knowledge Katti, Independent Director	18,669	92,664
Carmelo Marrelli, Chief Financial Officer	5,281	16,111
Total	247,983	1,229,183

The Company has entered into the following transactions with related parties:

During the three months ended March 31, 2023, the Company paid professional fees and disbursements totaling \$17,365 (three months ended March 31, 2022 - \$20,973) to Marrelli Support Services Inc., and certain of its affiliates, together known as the "Marrelli Group", for: (i) Carmelo Marrelli, beneficial owner of the Marrelli Group, to act as the Chief Financial Officer of the Company, (ii) regulatory filing services, and (iii) press release services. The Marrelli Group was owed \$17,351 (December 31, 2022 - \$17,597) and these amounts were included in accounts payable and accrued liabilities.

Discussion of Operations

Three months ended March 31, 2023 compared with three months ended March 31, 2022

Sintana's net income totalled \$2,773,056 for the three months ended March 31, 2023, with basic and diluted income per share of \$0.01. This compares with a net loss of \$468,362 for the three months ended March 31, 2022, with basic and diluted loss per share of \$0.00. The increase of \$3,241,418 in net income was principally due to:

- General and administrative expenses decreased by \$1,598,240. General and administrative expenses totalled \$813,700 for the three months ended March 31, 2023 (three months ended March 31, 2022 - \$2,411,940) and consisted of salaries and benefits of \$554,319 (three months ended March 31, 2022 - \$2,161,983), professional

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fees of \$58,997 (three months ended March 31, 2022 - \$176,998), administrative and general expenses of \$104,058 (three months ended March 31, 2022 - \$37,723), investor relations of \$83,029 (three months ended March 31, 2022 - \$nil), travel expenses of \$7,842 (three months ended March 31, 2022 - \$nil) and reporting issuer costs of \$59,034 (three months ended March 31, 2022 - \$35,236). This was offset by interest income of \$53,579 (three months ended March 31, 2022 - \$nil).

- The Company incurred a decrease in salaries and benefits of \$1,607,664 for the three months ended March 31, 2023, compared to the three months ended March 31, 2022. The decrease was the result of the vesting over time of options and RSUs and payment of bonuses.
- The Company incurred a decrease in professional fees of \$118,001 for the three months ended March 31, 2023, compared to the three months ended March 31, 2022. The decrease can be attributed to lower corporate activity requiring legal assistance during three months ended March 31, 2023 compared to the three months ended March 31, 2022 primarily related to the Inter Oil and associated equity gain translations.
- The Company incurred a foreign exchange loss of \$12,382 compared to a gain of \$19,183 in the period ended March 31, 2022, which was primarily attributable to US dollar and Canadian dollar exchange rate fluctuations.
- Finance interest expense was \$nil for the three months ended March 31, 2023 compared to \$3,040 for the three months ended March 31, 2022.
- The Company incurred costs related to the acquisition of Inter Oil of \$nil for the three months ended March 31, 2023 compared to \$229,119 for the three months ended March 31, 2022.
- The Company recorded a joint venture loss of \$26,860 for the three months ended March 31, 2023 compared to \$nil for the three months ended March 31, 2022. This is due to the Company's share of Inter Oil expenses during the period.

Cash Flow

At March 31, 2023, the Company had cash of \$5,180,522. The decrease in cash of \$1,155,393 from the December 31, 2022 cash balance of \$6,335,915 was a result of net cash outflows for operating activities of \$1,155,393. Operating activities cash flows were mainly affected by a net loss of \$829,244, offset by non-cash activities in share-based compensation of \$327,360, gain of accounts payable of \$23,698, joint venture loss of \$26,860 and net change in non-cash working capital balances of \$656,671. The change in working capital balances was due to an increase in accounts receivable and other assets of \$36,115, a decrease in accounts payable and other liabilities of \$91,206 and a decrease of \$529,350 in deferred compensation.

Liquidity and Financial Position

The Company derives no income from operations and limited working capital. Accordingly, the activities of the Company have been financed by cash raised through private placements of securities, convertible debentures and sales of non-core assets. As the Company does not expect to generate positive cash flows from operations in the near future, it will continue to rely primarily on additional financings to raise capital.

At the date of this Interim MD&A, the Company estimates that the Company's cash balance is adequate to carry on business activities for the next 24 months, assuming no material transactions during this period. Thereafter unless it commences producing hydrocarbons in sufficient quantities to meet the Company's ongoing need for additional working capital, the Company might need to secure additional financing. The most significant variables for cash movements are expected to be the size, timing and results of the Company's compliance requirements and its ability to continue to access additional capital to fund its ongoing activities. Although the Company has been successful in raising funds to date, there is no assurance

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that future equity capital and / or debt capital will be available to the Company in the amounts or at the times required or on terms that are acceptable to the Company, if at all. See "Risk Factors" below.

Outlook

Produced volumes and pricing for crude oil, natural gas, LNG and downstream activities and products have been and are expected to be for the foreseeable future very volatile. Given interest rate increases, most likely a recession, uncertain availability of financing and the securing of joint venture partners and other events out of management's control, it is difficult to plan for and manage exploration, development and production activities. The Company is mindful of these events and uncertainties. See "Risk Factors" for additional details.

Although there can be no assurance that additional funding will be available to the Company, management believes that its projects are delivering positive results and should attract investment under normal market conditions. Hence, management believes it is likely to obtain additional funding for its projects in due course. As a result of the recent successful raise and farmout, the Company does not expect to require additional funding in the foreseeable future.

The Company routinely evaluates various business development opportunities.

Disclosure of Internal Controls

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements, and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed interim consolidated financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Sintana Energy Inc.

Management's Discussion & Analysis – Quarterly Highlights

Three Months Ended March 31, 2023

Discussion dated: May 26, 2023

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's Annual MD&A for the fiscal year ended December 31, 2022, available on SEDAR at www.sedar.com.

Subsequent Event

On April 18, 2023, the Company announced that Exxon sent Patriot a notice stating that, based on the terms of the Exxon Agreement, it had decided to withdraw from the Exxon Agreement as of May 31, 2023. The notice also states that Exxon will withdraw from the Platero CEPI with the ANH effective after obtaining required government approvals. See "Petroleum and Natural Gas Update". Both the Exxon Agreement and Platero CEPI pertain to VMM-37. The Company fully reserves its rights under the contracts governing VMM-37 and applicable laws and regulations.

CORPORATE INFORMATION

DIRECTORS

Keith Spickelmier, Executive Chairman
Douglas Manner, CEO & Director
Robert Bose, President & Director
Bruno Maruzzo, Independent Director
Dean Gendron, Independent Director
Knowledge Katti, Independent Director

OFFICERS

Douglas Manner, Chief Executive Officer
David Cherry, Chief Operating Officer
Carmelo Marrelli, Chief Financial Officer
Robert Bose, President
Sean Austin, VP, Controller, Secretary & Treasurer

AUDIT COMMITTEE

Bruno Maruzzo, Independent Director (Chair)
Dean Gendron, Independent Director
Robert Bose, Director

UNITED STATES

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✉ info@sintanaenergy.com

AUDITORS

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Toronto, Ontario

REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of Canada
Toronto, Ontario

LEGAL COUNSEL

Fogler, Rubinoff LLP
Toronto, Ontario

LISTING

Exchange: TSX Venture
Trading Symbol: SEI
Cusip Number: 82938H
Fiscal Year End: Dec 31

CANADA

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