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THIS ANNOUNCEMENT IS AN ADVERTISEMENT AND NOT A PROSPECTUS OR PROSPECTUS EQUIVALENT DOCUMENT AND INVESTORS SHOULD NOT MAKE ANY INVESTMENT DECISION IN RELATION TO THE NEW TENAZ SHARES EXCEPT ON THE BASIS OF INFORMATION IN THE SCHEME DOCUMENT AND THE TENAZ CIRCULAR WHICH ARE PROPOSED TO BE PUBLISHED IN DUE COURSE.

THE INFORMATION CONTAINED WITHIN THIS ANNOUNCEMENT IS DEEMED BY THE COMPANY TO CONSTITUTE INSIDE INFORMATION AS STIPULATED UNDER THE MARKET ABUSE REGULATION (EU) NO. 596/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 AS AMENDED.

FOR IMMEDIATE RELEASE

30 June 2022

RECOMMENDED ALL-SHARE COMBINATION WITH CASH ALTERNATIVE

between

Tenaz Energy Corp. ("Tenaz")

and

SDX Energy plc ("SDX")

to be effected by means of a Scheme of Arrangement under Part 26 of the Companies Act 2006

1. Introduction

On 25 May 2022, the boards of directors of Tenaz and SDX announced (the "**Announcement**") that they had reached agreement on the terms of a recommended share-for-share combination between Tenaz and SDX (the "**Combination**" to form the "**Combined Group**") whereby each Scheme Shareholder will be entitled to receive 0.075 New Tenaz Shares for each 1 SDX Share (the "**Share Offer**"). The Combination is to be implemented by means of a court-sanctioned scheme of arrangement between SDX and the Scheme Shareholders under Part 26 of the Companies Act 2006 (the "**Scheme**"), with the entire issued and to be issued ordinary share capital of SDX being acquired by Tenaz.

Tenaz is today pleased to announce the introduction of a Cash Alternative that is to be made available under the terms of the Combination, through which SDX Shareholders can elect to receive cash instead of some or all of the New Tenaz Shares to which they would otherwise be entitled under the Combination (the "**Cash Alternative**").

Unless otherwise defined or unless context so requires, capitalised terms used but not defined in this announcement have the meanings given to them in the Announcement.

2. The Cash Alternative

SDX Shareholders may elect to receive cash instead of some or all of the New Tenaz Shares to which they would otherwise be entitled to under the Combination.

Any SDX Shareholder who validly elects to only receive cash for all of their SDX Shares will receive 11 pence in cash for each SDX Share for which a valid election has been made and no New Tenaz Shares. However, SDX Shareholders may also elect to receive New Tenaz Shares in lieu of part or all of the cash consideration which they would otherwise be entitled to receive pursuant to the Cash Alternative using the following exchange ratio:

for each SDX Share 0.075 New Tenaz Shares

The following table shows, for illustrative purposes only, and on the bases and assumptions set out in the notes below, the financial effects of the Combination on capital value for a holder of 1,000 SDX Shares if the Scheme becomes Effective. The table shows the financial effects for both a holder who receives New Tenaz Shares in accordance with the Exchange Ratio, and a holder who makes an election for the Cash Alternative (i.e. is entitled to receive 11 pence in cash for each SDX Share held).

Column (A) compares the market value of SDX Shares on 24 May 2022 (being the last Business Day prior to the commencement of the Offer Period) with the market value of Tenaz Shares as at the same date. Column (B) compares the market value of SDX Shares on the last practicable date prior to the date of this announcement with the market value of Tenaz Shares as at the same date.

	(A)	(B)
	As at 24-May-22	As at 29 June 22
New Tenaz Shares⁽¹⁾		
<i>Increase in capital value</i>		
Consideration received on sale of 1,000 SDX Shares:		
Value of 75 New Tenaz Shares received based on the Exchange Ratio ⁽²⁾	£102.21	£115.57
Market value of 1,000 SDX Shares ⁽³⁾	£82.50	£92.50
<i>Increase in capital value</i>	£19.71	£23.07
<i>Representing an increase of ⁽⁴⁾</i>	23.9%	25.0%
 Cash Alternative⁽¹⁾		
<i>Increase in capital value</i>		
Consideration received on sale of 1,000 SDX Shares:		
Cash	£110.00	£110.00
Market value of 1,000 SDX Shares ⁽³⁾	£82.50	£92.50
<i>Increase in capital value</i>	£27.50	£17.50
<i>Representing an increase of ⁽⁴⁾</i>	33.3%	18.9%

Notes:

- (1) No account has been taken of any potential liability to taxation.
- (2) The market values of £102.21 (in column A) and £115.57 (in column B) for 75 New Tenaz Shares implied by the terms of the Combination are calculated based on the Closing Prices per Tenaz Share of:
 - (a) C\$2.19 per Tenaz Share, and a GBP:CAD exchange rate of 1.607, on 24 May 2022 (being the last Business Day prior to the commencement of the Offer Period); and
 - (b) C\$2.41 per Tenaz Share, and a GBP:CAD exchange rate of 1.564, on 29 June 2022 (being the last practicable date prior to the date of this announcement), respectively, multiplied by 0.075 New Tenaz Shares to every SDX Share.
- (3) The market values of £82.50 (in column A) and £92.50 (in column B) are calculated based on the Closing Prices per SDX Share of:
 - (a) 8.25 pence per SDX Share on 24 May 2022 (being the last Business Day prior to the commencement of the Offer Period); and
 - (b) 9.25 pence per SDX Share on 29 June 2022 (being the last practicable date prior to the date of this announcement).
- (4) Calculated as the increase in capital value as a proportion of the market value of one SDX Share in percentage terms.

Appendix I to this announcement sets out updates to previously disclosed operational accretion to Tenaz (on a historic proforma basis) on an indicative basis, dependent on the level of uptake of the Cash Alternative.

The Cash Alternative is conditional upon the Scheme becoming Effective. All valid elections under the Cash Alternative will be satisfied in full by Tenaz. If no elections are made for the Cash Alternative, Tenaz would issue approximately 15,638,224 New Tenaz Shares pursuant to the Combination. As a result of the Combination, Tenaz would, in those circumstances, have approximately 44,096,298 Tenaz Shares in issue and SDX Shareholders would together hold approximately 36 per cent. of the Tenaz Shares in issue upon the Scheme becoming Effective.

The detailed terms of the Cash Alternative will be set out in the Scheme Document.

3. Financing of the Cash Alternative

The cash consideration payable by Tenaz to SDX Shareholders pursuant to the Cash Alternative will be funded from a combination of the existing cash resources of Tenaz and funding provided to Tenaz under a reserve-based credit facility (the "**Facility**").

The Facility facilitates the cash confirmation in relation to the Cash Alternative. Further details of the Facility will be provided in the Scheme Document. finnCap, in its capacity as financial adviser to Tenaz, is satisfied that sufficient cash resources are available to Tenaz to enable it to satisfy in full the cash consideration payable to SDX Shareholders under the terms of the Cash Alternative element of the Combination.

4. Recommendation by SDX directors

The SDX Directors, who have been so advised by Rothschild & Co as to the financial terms of the Share Offer and the Cash Alternative, consider the terms of each of the Share Offer and the Cash Alternative to be fair and reasonable. In providing its advice to the SDX Directors, Rothschild & Co has taken into account the commercial assessments of the SDX Directors. Rothschild & Co is providing independent financial advice to the SDX Directors for the purposes of Rule 3 of the Takeover Code.

Accordingly, the SDX Directors intend to recommend unanimously that SDX Shareholders vote in favour of the Scheme at the SDX Court Meeting, and in favour of the SDX Resolutions to be proposed at the SDX General Meeting, as the SDX Directors (and a former director) who hold SDX Shares have irrevocably undertaken to do in respect of their own beneficial holdings (and the beneficial holdings which are under their control) of 5,040,636 SDX Shares, representing, in aggregate, approximately 2.46 percent of SDX's issued ordinary share capital as at the close of business on the last practicable date prior to the date of this announcement.

The SDX Directors who hold SDX Shares intend to set out in the Scheme Document whether they plan to receive the Share Offer or to elect, in full or in part, for the Cash Alternative.

SDX Shareholders should consider their own personal circumstances when deciding whether to receive the Share Offer or to elect, in full or in part, for the Cash Alternative and are, therefore, strongly recommended to seek their own independent financial, tax and legal advice in light of their own particular circumstances and investment objectives before deciding whether to receive the Share Offer or elect, in full or in part, for the Cash Alternative. Any decision should also be based on a full consideration of this document, the Announcement and other relevant information.

5. Amendment to the Longstop Date and Timing of Scheme Document

In order to allow the Cash Alternative to be made available, Tenaz and SDX have, with the consent of the Panel, agreed to amend the Longstop Date described in the Announcement to be 31 December 2022 (and not 24 May 2023, as previously stated). Accordingly, Tenaz and SDX have today agreed to amend the Co-operation Agreement dated 25 May 2022 to reflect the change to the Longstop Date and a copy of the amendment agreement relating to the Co-operation Agreement will be available free of charge, subject to certain restrictions relating to persons in Restricted Jurisdictions, at Tenaz's and SDX's websites at <https://www.tenazenergy.com/investors> and <https://www.sdxenergygroup.com/> respectively promptly following the publication of this announcement. It will also be available under the profiles of each of SDX and Tenaz on www.sedar.com.

As announced on 22 June 2022, the Scheme Document containing further information about the Combination and notices of the SDX Meetings, together with the Forms of Proxy and a Form of Election for the Cash Alternative, will be sent to SDX Shareholders no later than 5.00 p.m. (London time) on Tuesday 5 July 2022 (or on such later date as may be agreed between Tenaz and SDX with the consent of the Panel). It is still expected that the Tenaz Circular, which will contain notice of the Tenaz Special Meeting, will be filed and mailed to Tenaz Shareholders on or around the same date as the Scheme Document is posted to SDX Shareholders.

6. Dividend

If, after the date of this Announcement, any Non-Permitted SDX Dividend is declared, made or paid or becomes payable in respect of the SDX Shares (other than, or in excess of, any SDX Equalisation Dividend), Tenaz reserves the right to reduce the Exchange Ratio and Cash Alternative accordingly so as to reflect the aggregate value attributable to any such Non-Permitted SDX Dividend.

If, after the date of this Announcement, any Non-Permitted Tenaz Dividend is declared, made or paid or becomes payable in respect of the Tenaz Shares, then SDX will be entitled to declare and pay, and the SDX Shareholders will be entitled to receive and retain in Sterling, the SDX Equalisation Dividend.

7. General

Your attention is drawn to the further information contained in the Announcement which form part of, and should be read in conjunction with, this announcement.

Each of finnCap, Rothschild & Co and Stifel has given and has not withdrawn its written consent to the issue of this announcement with the inclusion of the references to their names in the form and context in which they appear.

The Combination will be subject to the Conditions and certain further terms set out in the Announcement and the further terms and conditions set out in the Scheme Document when issued. Appendix II of the Announcement contains the sources and bases of certain information contained in this announcement.

Enquiries

Tenaz Energy Corp.

Marty Proctor, Chairman

Tel: + 1 (587) 330-1714

Anthony Marino, Chief Executive Officer

finnCap Ltd (Financial Adviser to Tenaz)

Henrik Persson, Charlie Beeson, Miles Hindocha

Tel: + 44 (0) 20 7220 0500

SDX Energy plc

Mark Reid, Chief Executive Officer

Rothschild & Co (Rule 3 and Financial Adviser to SDX)

James McEwen

Tel: +44 (0) 207 280 5000

Tanvi Ahuja

Stifel Nicolaus Europe Limited (Nominated Adviser and Broker to SDX)

Callum Stewart

Tel: +44 (0) 20 7710 7600

Camarco (Financial PR Adviser to SDX)

Billy Clegg/Owen Roberts/Violet Wilson

Tel: +44 (0) 203 757 4980

Torys LLP and Watson Farley & Williams LLP are retained as Canadian/US and UK legal adviser for Tenaz, respectively.

Blake, Cassels & Graydon LLP and Bryan Cave Leighton Paisner LLP are retained as Canadian and UK legal adviser for SDX, respectively.

Important notices

finnCap Ltd ("finnCap"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Tenaz and no one else in connection with the matters described in this announcement and will not be responsible to anyone other than Tenaz for providing the protections offered to clients of finnCap or for providing advice in connection with any matter referred to in this announcement. Neither finnCap nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of finnCap in connection with this announcement, any statement contained herein, the Combination or otherwise. No representation or warranty, express or implied, is made by finnCap as to the contents of this announcement.

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Stifel Nicolaus Europe Limited ("Stifel"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for SDX and for no one else in connection with the matters described in this announcement and will not be responsible to anyone other than SDX for providing the protections afforded to clients of Stifel or for providing advice in connection with any matter referred to in this announcement. Neither Stifel nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Stifel in connection with this announcement, any statement contained herein, the Combination or otherwise. No representation or warranty, express or implied, is made by Stifel as to the contents of this announcement.

Further Information

This announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer or invitation to purchase, or otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Combination or otherwise, nor shall there be any sale, issuance or transfer of securities of SDX pursuant to the Combination or otherwise in any jurisdiction in contravention of applicable laws. The Combination will be implemented solely by means of the Scheme Document (or, in the event that the Combination is to be implemented by means of a Takeover Offer, the Takeover Offer document) or any document by which the Combination is made which will contain the full terms and conditions of the Combination, including details of how to vote in respect of the Combination.

SDX will prepare the Scheme Document to be distributed to SDX Shareholders and which will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on SDX's website at <https://www.sdxenergygroup.com/>, on SEDAR under SDX's profile at www.sedar.com and Tenaz's website at <https://www.tenazenergy.com/investors/>. SDX and Tenaz urge SDX Shareholders to read the Scheme Document (and/or, in the event that the Combination is to be implemented by way of a Takeover Offer, the Takeover Offer document) carefully when it becomes available, as it will contain important information relating to the Combination, the New Tenaz Shares and the Combined Group. Any vote in respect of resolutions to be proposed at the SDX General Meetings to approve the Combination, the Scheme or related matters, should be made only on the basis of the information contained in the Scheme Document (or, in the event that the Combination is to be implemented by means of a Takeover Offer, the Takeover Offer document). Each SDX Shareholder is urged to consult its independent professional advisers immediately regarding the tax consequences of the Combination applicable to them.

Tenaz will prepare the Tenaz Circular to be mailed to Tenaz Shareholders and which will be available on Tenaz's website at <https://www.tenazenergy.com/investors/> and will also be available for review on SEDAR under Tenaz's profile at www.sedar.com and SDX's website at <https://www.sdxenergygroup.com/>. Tenaz urges Tenaz Shareholders to read the Tenaz Circular when it becomes available, as it will contain important information relating to the Combination, the New Tenaz Shares and the Combined Group. Any vote in respect of the Tenaz Resolution should be made only on the basis of the information in the Tenaz Circular.

The statements contained in this announcement are made as at the date of this announcement unless some other time is specified in relation to them.

This announcement does not constitute a prospectus or prospectus equivalent document. The New Tenaz Shares to be issued pursuant to the Combination are not being offered to the public by means of this announcement. The Combination will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, Canadian securities laws and the TSX.

Please be aware that addresses, electronic addresses and certain other information provided by SDX Shareholders, persons with information rights and other relevant persons for the receipt of communication by SDX may be provided to Tenaz during the Offer Period as required by Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

Overseas Shareholders

This announcement has been prepared for the purpose of complying with English law, the Takeover Code, the Market Abuse Regulation, the AIM Rules, the TSX Rules, Canadian securities laws and the Disclosure Guidance and Transparency Rules and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside of the United Kingdom.

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom and Canada may be restricted by law and/or regulation. Persons who are not resident in the United Kingdom or Canada, or who are subject to the laws of other jurisdictions should inform themselves of, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the United Kingdom or Canada or who are subject to the laws of another jurisdiction to participate in the Combination or to vote their SDX Shares in respect of the Scheme at the SDX Court Meeting, or to execute and deliver the SDX Forms of Proxy appointing another to vote at the SDX Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located or to which they are subject. Any failure to comply with the applicable requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Tenaz or required by the Takeover Code and permitted by applicable law and regulation, participation in the Combination will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Combination by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this announcement and all documentation relating to the Combination are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this announcement and all documents relating to the Combination (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions as doing so may invalidate any purported vote in respect of the Combination.

If the Combination is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from within any Restricted Jurisdiction.

The availability of the New Tenaz Shares under the Combination to SDX Shareholders who are not resident in the United Kingdom or Canada may be affected by the laws of the relevant jurisdictions in which they are resident or to which they are subject. Persons who are not resident in the United Kingdom or Canada or who are subject to the laws of other jurisdictions should inform themselves of, and observe, any applicable legal or regulatory requirements.

Further details in relation to Overseas Shareholders will be contained in the Scheme Document.

Notice to US holders of SDX Shares

Neither the United States Securities and Exchange Commission nor any other US federal or state securities commission or regulatory authority has reviewed, approved or disapproved this announcement, or any of the proposals described in this announcement or the New Tenaz Shares or passed an opinion on the accuracy or the adequacy of this announcement. Any representation to the contrary is a criminal offence in the United States.

Forward looking statements

This announcement (including information incorporated by reference into this announcement), any oral statements made by Tenaz or SDX in relation to the Combination and other information published by Tenaz or SDX may contain statements about Tenaz, SDX and the Combined Group that are or may be forward-looking statements. All statements other than statements of historical fact included in this announcement may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "goals", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects", "hopes", "continues", "would", "could", "should" or words or terms of similar substance or the negative thereof, are forward looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) the completion of the Combination; and (iii) business and management strategies and the expansion and growth of Tenaz's or SDX's or the Combined Group's operations and potential synergies resulting from the Combination.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and/or the operations of Tenaz, SDX or the Combined Group and are based on certain assumptions and assessments made by Tenaz and SDX in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate. Except as expressly provided in this announcement, they have not been reviewed by the auditors of Tenaz or SDX. Although it is believed that the expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and you are therefore cautioned not to place reliance on these forward looking statements which speak only as at the date of this announcement. Neither SDX nor Tenaz, nor any of their respective members, directors, officers, employees, advisers and any person acting on behalf of one or more of them assumes any obligation to update or correct the information contained in this announcement (whether as a result of new information, future events or otherwise) except as required by applicable law (including as required by the Takeover Code, the AIM Rules, the TSX Rules, Canadian securities laws, and the Disclosure Guidance and Transparency Rules).

There are several factors which could cause actual results to differ materially from those expressed or implied in forward looking statements. Among the factors that could cause actual results to differ materially from those described in the forward looking statements are: the ability to complete the Combination, the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms, changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business acquisitions or disposals, the anticipated benefits from the Combination not being realised as a result of changes in general economic and market conditions in the countries in which Tenaz and SDX operate, weak, volatile or illiquid capital and/or credit markets, changes in the degree of competition in the geographic and business areas in which Tenaz and SDX operate, and changes in laws or in supervisory expectations or requirements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations.

No member of the Tenaz Group or the SDX Group, nor any of their respective associates, directors, officers, employees or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur.

Profit forecasts, quantified financial benefit statements or estimates

No statement in this announcement is intended, or is to be construed, as a profit forecast, profit estimate or quantified financial benefit statement for any period. No statement in this announcement should be interpreted to mean that earnings or earnings per share of Tenaz, SDX or the Combined Group, as appropriate for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share of Tenaz, SDX or the Combined Group, as appropriate.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the Announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3:30 p.m. (London time) on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3:30 p.m. (London time) on the 10th Business Day following the Announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3:30 pm (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Rule 2.9 disclosure

In accordance with Rule 2.9 of the Takeover Code, Tenaz confirms that, as at 29 June 2022 being the latest practicable Business Day prior to the date of this announcement, it has 28,458,074 Tenaz Shares in issue. The International Securities Identification Number for Tenaz Shares is CA88034V3048.

Publication on websites and availability of hard copies

Pursuant to Rule 26.1 of the Takeover Code, a copy of this announcement and other documents in connection with the Combination will be available free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, at Tenaz's and SDX's websites at <https://www.tenazenergy.com/investors> and <https://www.sdxenergygroup.com/> respectively promptly following the publication of this announcement and in any event by no later than 12 noon on the Business Day following this announcement until the end of the Offer Period (or, if later, the end of any competition reference period).

For the avoidance of doubt, the content of the websites referred to above is not incorporated into and does not form part of this announcement.

Pursuant to Rule 30.3 of the Takeover Code, copies of this announcement and all future documents, announcements and information required to be sent to persons in relation to the Combination may be requested to be received by such persons in hard copy form by contacting Link Group between 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except public holidays in England and Wales) on 0371 664 0321 (or if calling from outside the UK +44 (0) 371 664 0321) or by submitting a request in writing to the Registrar of Companies at Link Group, Corporate Actions Team, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL or by email to shareholderenquiries@linkgroup.co.uk.

Important information

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

Use of a Standard

Reserve and resource estimates disclosed or referenced herein have been prepared and evaluated by independent reserves evaluators in accordance with the SPE's Canadian Oil and Gas Evaluation Handbook and in accordance with National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities of the Canadian Securities Administrators. This announcement also contains references to "boe" (barrels of oil equivalent), "mboe" (one thousand barrels of oil equivalent), and "mmboe" (one million barrels of oil equivalent). Each of Tenaz and SDX has adopted the standard of six thousand cubic feet of gas to one barrel of oil (6 mcf: 1 bbl) when converting natural gas to boes. boe, mboe and mmboe may be misleading, particularly if used in isolation. The foregoing conversion ratios are based on an energy equivalency conversion method primarily applicable at the burner tip and do not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of oil as compared to natural gas is significantly different from the energy equivalent of 6:1, utilizing a conversion on a 6:1 basis may be misleading.

Appendix I

Information Relating to Tenaz

Per Share Accretion to Existing Tenaz Shareholders

Aggregate Election Level	Production Per Share ¹	Operating Income Per Share ²
100% cash (maximum cash uptake)	274%	418%
50% cash (mid-point cash uptake)	193%	280%
0% cash (no cash uptake / original all equity transaction)	141%	212%

¹ combined production per share calculated as SDX stated production guidance of 3,300 - 3,550 boe/d including the disposal of South Disouq plus Tenaz stated production guidance of 1,200-1,300 boe/d, with a resultant combined midpoint of these ranges of 4,650 mboe

² proforma operating income is a non-IFRS measure and represents a measurement of the combined operational scale of the proforma entity. Combined "operating income per share" on a proforma combined basis for the three months ended 31 December 2021 of C\$16.1m has been calculated as the operating netback of Tenaz of C\$3.4m plus that of SDX of US\$11.5m (C\$14.5m), less 33% of the US\$4.4m (C\$5.5m) attributable to South Disouq at an exchange rate of USD:CAD 0.77

Tenaz Working Capital

As at March 31, 2022, Tenaz held a cash balance of approximately C\$21.8 million and adjusted positive working capital of C\$21.0 million. As at March 31, 2022, SDX held approximately C\$15.2 million in cash, and an additional C\$16.5 million in non-cash net working capital.