

LETTER TO HEADWATER SHAREHOLDERS

October 13, 2026

Dear Headwater Shareholders:

You are invited to attend a special meeting (the "**Headwater Meeting**") of the holders ("**Headwater Shareholders**") of common shares ("**Headwater Shares**") of Headwater Exploration Inc. ("**Headwater**", "**we**", "**us**", or "**our**"), to be held on November 18, 2026 at 9:00 a.m. (Calgary time) in a virtual-only format that will be conducted via live webcast accessible at https://meetings.lumiconnect.com/400-740-097-516, password: "HWX2026" (case-sensitive).

At the Headwater Meeting, amongst other things, Headwater Shareholders will be asked to consider and vote on a special resolution (the "**Headwater Arrangement Resolution**") approving a proposed arrangement (the "**Arrangement**") involving Tamarack Valley Energy Ltd. ("**Tamarack**"), Headwater, Tributary Exploration Inc. ("**Tributary**"), Headwater Shareholders and shareholders of Tamarack ("**Tamarack Shareholders**") to be completed by way of a plan of arrangement (the "**Plan of Arrangement**") under section 193 of the *Business Corporations Act* (Alberta), pursuant to which Tamarack will acquire all of the issued and outstanding Headwater Shares in exchange for common shares of Tamarack ("**Tamarack Shares**"). In addition and all as more particularly described in the accompanying joint management information circular of Tamarack and Headwater dated October 13, 2026 (the "**Information Circular**"), pursuant to the Arrangement, Headwater and Tamarack will each transfer certain non-core exploration assets (collectively, the "**Tributary Assets**") to Tributary, and the Headwater Shareholders (other than Dissenting Shareholders (as defined in the Information Circular)) and Tamarack Shareholders will each receive common shares ("**Tributary Shares**") of Tributary. Headwater Shareholders will also receive Tributary Arrangement Warrants (as defined below) pursuant to the Arrangement.

The Arrangement Agreement and the Effect and Anticipated Timing of Completion of the Arrangement

Board Approval

Headwater and Tamarack entered into an arrangement agreement dated September 7, 2026 (the "**Arrangement Agreement**") providing for the Arrangement. The Arrangement and the Arrangement Agreement were unanimously approved by the respective board of directors of each of Headwater (the "**Headwater Board**") and Tamarack (the "**Tamarack Board**"). Prior to the approval of the Arrangement and the Arrangement Agreement by the Headwater Board, the Headwater Corporate Development Committee, comprised of independent members of the Headwater Board (the "**Independent Committee**"), unanimously recommended to the Headwater Board that, among other things, the Headwater Board approve the transaction. The Arrangement Agreement has customary representations, warranties, covenants and conditions as further described in detail in the Information Circular.

The Consideration

Pursuant to the Arrangement Agreement and subject to the required approvals and other conditions set forth therein, Tamarack will acquire all of the issued and outstanding Headwater Shares through the Plan of Arrangement. Under the Plan of Arrangement, for each Headwater Share held, Headwater Shareholders (other than Dissenting Shareholders) will receive: (i) one new common share of Tamarack (a "**New Tamarack Share**"); (ii) approximately 0.33 of a Tributary Share; and (iii) approximately 0.20 of a Tributary warrant (each whole warrant being a "**Tributary Arrangement Warrant**"), with each whole Tributary Arrangement Warrant entitling the holder to purchase one Tributary Share for a period of 60 days from the closing of the Arrangement at an exercise price of $0.42 per Tributary Share (equivalent to $2.10 per Tributary Share following the Tributary Share Consolidation (as defined below)). In exchange for each Tamarack Share held, Tamarack Shareholders will receive: (i) one New Tamarack Share; and (ii) approximately 0.33 of a Tributary Share. The exchange for each Headwater Share and Tamarack Share will be implemented through a series of intervening steps under the Plan of Arrangement involving a reorganization of Tamarack's share capital (including the creation of classes of Tamarack shares that will exist only for the duration of those steps, following which the New Tamarack Shares will be the only class of shares of Tamarack outstanding), which are described in the Information Circular under "*Effect of the Arrangement – Details of the Arrangement*" and "*Certain Canadian Federal Income Tax Considerations*".

As the Tamarack Shares are also being arranged under the Plan of Arrangement, in addition to the other matters to be considered at the special meeting (the "**Tamarack Meeting**") of Tamarack Shareholders to be held on November 18, 2026 at 10:00 a.m. (Calgary time), Tamarack Shareholders will also be asked to consider and vote on a special resolution (the "**Tamarack Arrangement Resolution**") approving the proposed Arrangement.

Under the Arrangement, all Headwater Shareholders (other than Dissenting Shareholders) will receive identical consideration for their Headwater Shares and all Tamarack Shareholders will receive identical consideration for their Tamarack Shares. Immediately following the completion of the Arrangement, former Headwater Shareholders are expected to own approximately 33.5% of the issued and outstanding shares of the combined company (the "**Combined Company**") and Tamarack Shareholders are expected to own approximately 66.5% of the issued and outstanding shares of the Combined Company.

Completion

The Arrangement is currently anticipated to be completed on or about November 19, 2026, subject to satisfaction or waiver of all conditions in the Arrangement Agreement, including the requisite approvals of the Headwater Shareholders and the Tamarack Shareholders and the receipt of all court, regulatory and stock exchange approvals. Upon completion of the Arrangement, the Combined Company will continue to operate as "Tamarack Valley Energy Ltd." and remain headquartered in Calgary, Alberta. See "*Shareholder and Other Approvals Required for the Arrangement*" below.

Tributary Exploration Inc.

Pursuant to the Arrangement, the Tributary Assets will be conveyed by Headwater and Tamarack to Tributary, a new exploration company to be led by the existing management team of Headwater. For additional information regarding the existing Headwater management team, please refer to the management information circular of Headwater dated April 2, 2026 in connection with the annual meeting of Headwater Shareholders held on May 20, 2026, which is incorporated by reference in the Information Circular, and Appendix J – "*Information Concerning Tributary Exploration Inc.*" to this Information Circular.

Following completion of the Arrangement (prior to the exercise of any Tributary Arrangement Warrants and prior to closing of the Tributary Private Placement (as defined below)), former Headwater Shareholders are expected to own approximately 33.5% of the issued and outstanding Tributary Shares and Tamarack Shareholders are expected to own approximately 66.5% of the issued and outstanding Tributary Shares. Former Headwater Shareholders will also receive approximately 0.20 of a Tributary Arrangement Warrant per Headwater Share. Assuming all Tributary Arrangement Warrants are exercised by Headwater Shareholders, Tamarack Shareholders are expected to own approximately 55.4% of the issued and outstanding Tributary Shares and former Headwater Shareholders are expected to own approximately 44.6% of the issued and outstanding Tributary Shares (prior to closing of the Tributary Private Placement).

The Tributary Assets will be primarily comprised of Headwater's New Brunswick McCully gas asset, which has generated average historical annual operating income of approximately $16.7 million during the two most recently completed financial years and $14.8 million of operating income in the six months ended June 30, 2026, and will also include approximately 168,000 acres of undeveloped Mannville conventional and thermal prospects in Alberta and Saskatchewan. The 2025 annual average production associated with the Tributary Assets was approximately 604 boe/d (consisting of 2,964 mcf/d of natural gas, 108 bbl/d of heavy crude oil and 2 bbl/d of natural gas liquids). See Appendix J – "*Information Concerning Tributary Exploration Inc.*" to the Information Circular.

The board of directors of Tributary will consist of seven existing members of the Headwater Board. Assuming the closing of the Tributary Private Placement for aggregate proceeds of $30 million and the full exercise of the Tributary Arrangement Warrants, Tributary is expected to be well capitalized with approximately $50 million of cash for organic development of current acreage, strategic land sales and acquisitions. Tributary expects to pursue oil weighted assets in western Canada that are rich in organic opportunity and provide stable free cash flow, backstopping the team's relentless pursuit of shareholder returns. See "*Summary of Agreements in Connection with the Arrangement – Conveyance Agreements*" in the Information Circular and "*Acquisition of the Tributary Assets – Conveyance Agreements*" in Appendix J – "*Information Concerning Tributary Exploration Inc.*" to the Information Circular.

Tributary has applied to list the Tributary Shares (including all Tributary Shares issuable upon exercise of Tributary Arrangement Warrants and the Tributary Private Placement Warrants (as defined below)) and the Tributary Arrangement Warrants on the Toronto Stock Exchange (the "**TSX**"). Listing is subject to the approval of the TSX in accordance with its original listing requirements. As of the date hereof, the TSX has not conditionally approved Tributary's listing application and there is no assurance that the TSX will approve the listing application. Provided that Tributary meets all of the listing requirements of the TSX, trading in the Tributary Shares and the Tributary Arrangement Warrants is expected to commence concurrently with the delisting of the Headwater Shares from the TSX, or shortly thereafter, which is currently expected to occur two to three days following the Effective Date. It is not a condition to the completion of the Arrangement that the TSX shall have conditionally approved the listing of the Tributary Shares and the Tributary

Arrangement Warrants. See "*Risk Factors – Trading Access*" in the Information Circular and "*Listing of the Tributary Shares and Securities Law Matters*" and "*Risk Factors – No Prior Public Market for Tributary Shares*" in Appendix J – "*Information Concerning Tributary Exploration Inc.*".

Tributary Private Placement

Following closing of the Arrangement, it is expected that Tributary will complete a non-brokered equity private placement financing (the "**Tributary Private Placement**") for up to a total of 14,285,714 units ("**Tributary Units**") at a price of $2.10 per Tributary Unit (equivalent to 71,428,571 Tributary Units at a price of $0.42 per Tributary Unit prior to the Tributary Share Consolidation) for aggregate gross proceeds of up to $30 million. The Tributary Private Placement is expected to be offered to directors, officers, employees and consultants of Tributary and certain other investors. Each Tributary Unit will consist of one Tributary Share and one Tributary purchase warrant (each a "**Tributary Private Placement Warrant**"). Each Tributary Private Placement Warrant will entitle the holder to acquire one Tributary Share at an exercise price of $2.10 per Tributary Share (equivalent to an exercise price of $0.42 per Tributary Share prior to the Tributary Share Consolidation) for a period of four years following the closing of the Tributary Private Placement, subject to customary anti-dilution adjustments. The Tributary Private Placement Warrants will vest in three equal tranches when the 20-day volume-weighted average trading price of the Tributary Shares first equals or exceeds $3.25, $3.75 and $4.25 (equivalent to $0.65, $0.75 and $0.85 prior to the Tributary Share Consolidation), respectively.

At the Headwater Meeting, Headwater Shareholders will be asked to consider and vote on an ordinary resolution (the "**Headwater Private Placement Resolution**") approving the Tributary Private Placement. Similarly, at the Tamarack Meeting, Tamarack Shareholders will be asked to consider and vote on an ordinary resolution (the "**Tamarack Private Placement Resolution**") approving the Tributary Private Placement. For the Tributary Private Placement to be adopted: (i) the Headwater Private Placement Resolution must be approved by a majority of the votes cast by the Headwater Shareholders who vote in person (virtually) or by proxy at the Headwater Meeting, excluding votes cast in respect of Headwater Shares held, directly or indirectly, or over which control or direction is exercised, by those individuals participating in the Tributary Private Placement; and (ii) the Tamarack Private Placement Resolution must be approved by a majority of the votes cast by the Tamarack Shareholders who vote in person (virtually) or by proxy at the Tamarack Meeting, excluding votes cast in respect of Tamarack Shares held, directly or indirectly, or over which control or direction is exercised, by those individuals participating in the Tributary Private Placement. No Tamarack insiders are participating in the Tributary Private Placement.

No finders' fees or commissions will be paid in connection with the Tributary Private Placement. The Tributary Private Placement will be subject to the approval of the TSX. The Tributary Private Placement is expected to close promptly following completion of the Arrangement and may be completed in one or more closings, subject to the receipt of all required approvals. The purpose of the Tributary Private Placement is to provide Tributary with capital for organic development of its current acreage, strategic land sales and acquisitions and general working capital purposes.

The Tributary Private Placement and the Tributary Option Plan form part of the negotiated terms of the Arrangement and are the means by which Tributary, the company that will hold Headwater's non-core exploration assets under the leadership of Headwater's current management team, will be capitalized at the outset and by which that management team will be aligned with all Tributary shareholders. Without the Tributary Private Placement, Tributary will have no available funds immediately following the Effective Date with which to conduct its business. Headwater Shareholders will also receive Tributary Arrangement Warrants entitling them to acquire additional Tributary Shares at the same net asset value price as the Tributary Private Placement. As a result, it is a condition in favour of Headwater to the completion of the Arrangement that the Headwater Private Placement Resolution and the Tamarack Private Placement Resolution be approved at the Headwater Meeting and the Tamarack Meeting, respectively. **If either the Headwater Private Placement Resolution or the Tamarack Private Placement Resolution is not approved, the Arrangement may not be completed.** The Headwater Board, on the unanimous recommendation of the Independent Committee, unanimously recommends that Headwater Shareholders vote FOR the Headwater Private Placement Resolution and the Headwater Option Plan Resolution. See "*Other Matters of Special Business Relating to Tributary – Tributary Private Placement – Reasons for the Tributary Private Placement and Recommendation of the Boards*" and "*Other Matters of Special Business Relating to Tributary – Tributary Option Plan – Reasons for the Tributary Option Plan and Recommendation of the Boards*" in the Information Circular.

See "*Other Matters of Special Business Relating to Tributary – Tributary Private Placement*" in the Information Circular and "*Tributary Private Placement*" in Appendix J – "*Information Concerning Tributary Exploration Inc.*" to the Information Circular.

At the Headwater Meeting, Headwater Shareholders will also be asked to consider and vote on an ordinary resolution (the "**Headwater Option Plan Resolution**") approving the share option plan to be adopted by Tributary providing for the grant of options to purchase Tributary Shares to directors, officers, employees and consultants of Tributary (the "**Tributary Option Plan**"). The Tributary Option Plan is also subject to approval by the Tamarack Shareholders at the Tamarack Meeting. See "*Other Matters of Special Business Relating*

to Tributary – Tributary Option Plan" in the Information Circular and "*Tributary Option Plan*" in Appendix J – "*Information Concerning Tributary Exploration Inc.*" to the Information Circular.

Tributary Share Consolidation

If the Arrangement is completed, as the last step in the Plan of Arrangement, the Tributary Shares will be consolidated on a five-to-one basis and the Tributary Arrangement Warrants will be adjusted correspondingly (the "**Tributary Share Consolidation**").

As a result, the number of Tributary Shares and Tributary Arrangement Warrants to be received by the Headwater Shareholders and Tamarack Shareholders, as applicable, pursuant to the Arrangement will be adjusted to account for the Tributary Share Consolidation.

Attributes of the Combined Company and Benefits of the Arrangement[1]

The following are the Combined Company's key attributes and the benefits of the Arrangement to both Headwater Shareholders and Tamarack Shareholders:

- **Differentiated Clearwater focus:** The Combined Company is expected to initially have an enterprise value of approximately $10 billion and will be the largest producer in the high margin Clearwater fairway, with low-decline run-rate pro forma Clearwater production of greater than 80,000 boe/d. The Combined Company will become the only publicly-traded pure-play Clearwater company. The Combined Company will have a highly contiguous core land position at Marten Hills, Nipisi and Marten Hills West bringing together two complementary asset bases with significant depth of quality inventory.

- **Enhanced Scale and Depth of Quality Inventory:** The Combined Company is expected to have a land position of greater than 1,500 sections across the greater Clearwater fairway, greater than 300 million boe of proved and probable reserves across all formations and greater than 3,000 identified drilling locations, supporting a long runway of high-quality development inventory. The Combined Company will have more than double Tamarack's existing footprint at Pelican and Seal, providing the Combined Company with greater exposure to upside potential on prospective Clearwater and Wabiskaw targets in the Greater Clearwater fairway.

- **Immediate Accretion:** The Arrangement is expected to be immediately accretive to Tamarack's standalone free funds flow per share, while also improving Tamarack's operating profile through a lower decline rate and a reduced free funds flow breakeven cost.

- **Leading Financial Strength and Capital Allocation Flexibility:** At the Effective Time, the Combined Company is expected to have net cash of greater than $50 million and available funding of greater than $1.2 billion, providing substantial flexibility to fund development, return capital to shareholders and pursue strategic opportunities while maintaining balance sheet strength.[2] Available funding is expected to include a fully undrawn credit facility of $875 million maturing in May 2030.

- **Meaningful Synergy Capture:** The Combined Company is expected to realize immediate synergies through the integration of operations, marketing and corporate offices. Near-term synergies are also expected through the consolidation and streamlining of the Combined Company's exploration and development programs starting in 2027. Run-rate synergies are expected to be over $50 million per year, or greater than $350 million over the development plan.

- **Enhanced Shareholder Returns:** In connection with the Arrangement, Tamarack plans to increase its quarterly dividend by 20% from $0.05 per share to $0.06 per share ($0.24 per share annualized), commencing in December 2026, subject to Tamarack Board approval, applicable laws and closing of the Arrangement.

- **Continued Shared Upside Participation:** Headwater Shareholders and Tamarack Shareholders will retain exposure to emerging exploration and development opportunities through the securities of Tributary they will receive pursuant to the Arrangement. Tributary will be managed by the current Headwater management team, who have successfully founded and sold a number of oil and gas exploration companies.

[1] Refer to "*Supplemental Disclosure – Non-IFRS Measures*", "*Advisory Regarding Oil and Gas Information*" and "*Forward-Looking Statements*" in the Information Circular for the advisory on non-IFRS measures and the advisories and additional disclosure in respect of oil and gas information and forward-looking statements, including the assumptions made in the forecasts and projections for the Combined Company.

[2] The Combined Company's expected net cash at the Effective Time has been estimated by management of Tamarack using forward strip commodity pricing as of September 2, 2026, and assumes that the Arrangement is completed on or about November 19, 2026.

For additional information with respect to these and other anticipated benefits of the Arrangement, see "*The Arrangement – Attributes of the Combined Company and Benefits of the Arrangement*" and Appendix H – "*Pro Forma Information Concerning the Combined Company*" in the Information Circular.

The Combined Company's Management and Board of Directors

Pursuant to the terms of the Arrangement Agreement, Tamarack and Headwater agreed that the Combined Company will be led by senior management of Tamarack. It is expected that effective January 1, 2027, following closing of the Arrangement, Steve Buytels, current President of Tamarack, will be promoted to President and Chief Executive Officer and will be appointed as a director of the Combined Company. Brian Schmidt, Tamarack's founding Chief Executive Officer since August 2009, will transition to Executive Chair of the Combined Company Board. For additional information regarding Mr. Buytels and the existing Tamarack management team, please refer to the management information circular of Tamarack dated March 19, 2026 in connection with the annual general and special meeting of Tamarack Shareholders held on May 6, 2026, which is incorporated by reference in the Information Circular.

Immediately following the Effective Time, the board of directors of the Combined Company will consist of nine members, which will include members of the current Tamarack Board plus Jason Jaskela and one additional representative from the current Headwater Board to be determined by the Tamarack Board prior to the Effective Date.

Shareholder and Other Approvals Required for the Arrangement

The Headwater Arrangement Resolution must be approved by: (i) not less than 66⅔% of the votes cast by Headwater Shareholders present in person (virtually) or represented by proxy at the Headwater Meeting; and (ii) a simple majority of the votes cast by Headwater Shareholders present in person (virtually) or represented by proxy at the Headwater Meeting after excluding the votes cast by persons whose votes may not be included in determining minority approval of a "business combination" pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, being the votes cast with respect to the Headwater Shares beneficially owned or over which control or direction is exercised by the Participating Insiders (as defined in the Information Circular).

The Tamarack Arrangement Resolution must be approved by not less than 66⅔% of the votes cast by Tamarack Shareholders present in person (virtually) or represented by proxy at the Tamarack Meeting. In addition, pursuant to the rules of the TSX, the issuance of New Tamarack Shares to Headwater Shareholders under the Arrangement must be approved by a simple majority of the votes cast by Tamarack Shareholders present in person (virtually) or represented by proxy at the Tamarack Meeting (the "**Share Issuance Resolution**").

Completion of the Arrangement is also subject to, among other conditions: (i) approval of the Headwater Private Placement Resolution by Headwater Shareholders; (ii) approval of the Tamarack Private Placement Resolution by Tamarack Shareholders; (iii) the approval of the Court of King's Bench of Alberta; (iv) the approval of the listing of the New Tamarack Shares to be issued pursuant to the Arrangement on the TSX; and (v) the receipt of approval under the *Competition Act* (Canada) ("**Competition Act Approval**") (which was received on September 21, 2026). If the Headwater Arrangement Resolution is not approved at the Headwater Meeting, the Arrangement will not be completed. Similarly, if the Tamarack Arrangement Resolution or the Share Issuance Resolution is not approved at the Tamarack Meeting, the Arrangement will not be completed.

The conditions relating to approval of the Tamarack Private Placement Resolution and the Headwater Private Placement Resolution by Tamarack and Headwater Shareholders, respectively, are for the exclusive benefit of Headwater and may be waived by Headwater in its sole discretion.

Support Agreements

All directors and officers of Headwater, who own approximately 6% of the issued and outstanding Headwater Shares, have entered into support agreements with Tamarack pursuant to which they have agreed to vote in favour of the Headwater Arrangement Resolution, the Headwater Private Placement Resolution and the Headwater Option Plan Resolution. Similarly, all directors and officers of Tamarack, who own approximately 2% of the issued and outstanding Tamarack Shares, have entered into support agreements with Headwater pursuant to which they have agreed to vote in favour of the Tamarack Arrangement Resolution, the Share Issuance Resolution, the Tamarack Private Placement Resolution and the Tamarack Option Plan Resolution.

Headwater Fairness Opinions

BMO Nesbitt Burns Inc. ("**BMO Capital Markets**") was retained by the Independent Committee to provide an opinion (the "**BMO Fairness Opinion**") to the effect that, as of September 7, 2026, based on the scope of review and subject to the assumptions made and limitations and qualifications included therein, the consideration to be received by Headwater Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Headwater Shareholders. The full text of the BMO Fairness Opinion setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the BMO Fairness Opinion is contained in Appendix F-2 to the Information Circular. BMO Capital Markets provided its opinion solely for the exclusive use of the Independent Committee and the Headwater Board in connection with its consideration of the Arrangement.

Peters & Co. Limited ("**Peters & Co.**") acted as financial advisor to Headwater and provided the Headwater Board with its opinion (the "**Peters & Co. Fairness Opinion**") to the effect that, as of September 7, 2026, subject to the assumptions made and limitations and qualifications included therein, the consideration to be received by Headwater Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Headwater Shareholders. The full text of the Peters & Co. Fairness Opinion setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the Peters & Co. Fairness Opinion is contained in Appendix F-1 to the Information Circular. Peters & Co. provided its opinion solely for the exclusive use of the Independent Committee and the Headwater Board in connection with its consideration of the Arrangement. Neither the BMO Fairness Opinion nor the Peters & Co. Fairness Opinion is a recommendation as to how any Headwater Shareholder should vote with respect to the Headwater Arrangement Resolution, or any other matter. The BMO Fairness Opinion and the Peters & Co. Fairness Opinion were among a number of factors taken into consideration by the Independent Committee and Headwater Board, respectively, in making their unanimous determinations that the Arrangement is fair to Headwater Shareholders and is in the best interests of Headwater and to recommend that Headwater Shareholders vote in favour of the Headwater Arrangement Resolution, the Headwater Private Placement Resolution and the Headwater Option Plan Resolution.

Recommendation of the Headwater Board

The Independent Committee, after consulting with its financial and legal advisors, and after reviewing and considering, among other things, information received from Headwater senior management, the BMO Fairness Opinion, the Peters & Co. Fairness Opinion, all reasonably available alternatives, including the status quo, and the expected impacts of the Arrangement on all relevant stakeholders, unanimously recommended that the Headwater Board: (i) determine that the Arrangement and the entering into of the Arrangement Agreement are in the best interests of Headwater; (ii) determine that the Arrangement is fair to Headwater Shareholders; (iii) approve the Arrangement Agreement and the transactions contemplated thereby; and (iv) resolve to recommend that Headwater Shareholders vote in favour of the Headwater Arrangement Resolution, the Headwater Private Placement Resolution and the Headwater Option Plan Resolution.

After consulting with Headwater's senior management and with its financial and legal advisors, and after considering, among other things, the BMO Fairness Opinion, the Peters & Co. Fairness Opinion, and the unanimous recommendation of the Independent Committee, the Headwater Board unanimously: (i) determined that the Arrangement and the entering into of the Arrangement Agreement are in the best interests of Headwater; (ii) determined that the Arrangement is fair to Headwater Shareholders; (iii) approved the Arrangement Agreement and the transactions contemplated thereby; and (iv) resolved to recommend that Headwater Shareholders vote in favour of the Headwater Arrangement Resolution, the Headwater Private Placement Resolution and the Headwater Option Plan Resolution.

Accordingly, the Headwater Board unanimously recommends that Headwater Shareholders vote FOR the Headwater Arrangement Resolution, the Headwater Private Placement Resolution and the Headwater Option Plan Resolution. See "*The Arrangement – Background to the Arrangement*" and "*The Arrangement – Reasons for the Arrangement – Headwater Board*" in the Information Circular for more details on the background to the Arrangement, and the Headwater Board's reasons for approving it and recommending that Headwater Shareholders vote in favour of it.

The Information Circular contains a detailed description of the Arrangement, as well as detailed information regarding Headwater, Tamarack and Tributary and certain pro forma and other information concerning the Combined Company after giving effect to the Arrangement. It also includes certain risk factors relating to Headwater, Tamarack, Tributary, the Arrangement, the Tributary Private Placement and the Combined Company. Please give this material your careful consideration and, if you require assistance, consult your financial, legal, tax or other professional advisors.

Timing of the Arrangement and the Tributary Private Placement

The Arrangement will become effective at the time the Articles of Arrangement (as defined in the Information Circular) are filed with the Registrar (as defined in the Information Circular), which is expected to occur on or about November 19, 2026, provided that all

required approvals are obtained and other conditions are satisfied or waived prior to or on that date. However, completion of the Arrangement is subject to a number of conditions and it is possible that factors outside the control of Headwater and/or Tamarack could result in the Arrangement being completed at a later time, or not at all. Subject to certain limitations, each Party may terminate the Arrangement Agreement if it is not consummated by the Outside Date, being December 14, 2026, or such later date as mutually agreed to by Headwater and Tamarack in writing.

The Tributary Private Placement is expected to close promptly following completion of the Arrangement and may be completed in one or more closings, subject to the receipt of any required regulatory or stock exchange approvals.

See "*Other Matters of Special Business Relating to Tributary – Tributary Private Placement*" in the Information Circular, as well as "*Tributary Private Placement*" in Appendix J – "*Information Concerning Tributary Exploration Inc.*" to the Information Circular.

Meeting and Voting Details and Instructions

The Headwater Meeting will be held in a virtual-only format conducted via webcast. While Headwater Shareholders and duly appointed proxyholders will not be able to physically attend the Headwater Meeting in person, regardless of geographic location and ownership, Headwater Shareholders will have an equal opportunity to participate at the Headwater Meeting and vote on the matters to be considered at the Headwater Meeting.

Registered Headwater Shareholders may attend the Headwater Meeting in person (virtually) or may be represented by proxy. If a Headwater Shareholder is unable to attend the Headwater Meeting or any adjournment or postponement thereof in person (virtually), such Headwater Shareholder should date, sign and return the enclosed form of proxy for use at the Headwater Meeting or any adjournment or postponement thereof to its transfer agent and registrar, Odyssey Trust Company ("**Odyssey**"), as soon as possible but not later than 9:00 a.m. (Calgary time) on November 16, 2026, or 48 hours (excluding Saturdays, Sundays and statutory holidays in Alberta) prior to the time of any adjournment or postponement of the Headwater Meeting (the "**Headwater Proxy Deadline**"). All instructions are listed in the enclosed form of proxy. The time limit for the deposit of proxies may be waived or extended by the Chair of the Headwater Meeting at his discretion without notice.

Registered Headwater Shareholders will be able to sign in to the Headwater Meeting using the control number provided with the meeting materials and password "HWX2026" (case-sensitive).

Non-registered (beneficial) Headwater Shareholders can appoint themselves or a proxyholder to participate in the Headwater Meeting. See "*General Proxy Matters – Headwater – Information for Beneficial Holders of Headwater Shares*" in the Information Circular.

Registered Headwater Shareholders who appoint a proxyholder, and non-registered (beneficial) Headwater Shareholders who appoint themselves or a proxyholder to participate in the Headwater Meeting, must also email appointee@odysseytrust.com to register their or their proxyholder's name and email address so that, after the Headwater Proxy Deadline, Odyssey can send via email a Username that will be required (with case-sensitive password "HWX2026") to log into the Headwater Meeting. **If a Headwater Shareholder does not follow both of these steps, such Headwater Shareholder or its proxyholder will only be able to enter the meeting as a guest.**

Only Headwater Shareholders of record at the close of business on October 8, 2026, being the Headwater Record Date (as defined in the Information Circular), will be entitled to receive notice of and vote on the applicable resolution at the Headwater Meeting, or any adjournment or postponement thereof. Headwater Shareholders will be entitled to one vote on each of the Headwater Arrangement Resolution, the Headwater Private Placement Resolution and the Headwater Option Plan Resolution at the Headwater Meeting for each Headwater Share held.

Registered Headwater Shareholders should also complete and return the enclosed Headwater Letter of Transmittal which, when properly completed and returned together with the certificate(s) (if applicable) representing Headwater Shares and all other required documents, will enable each Headwater Shareholder to obtain the New Tamarack Shares, Tributary Shares and Tributary Arrangement Warrants that the Headwater Shareholder is entitled to receive under the Arrangement. See "*Procedure for the Arrangement to Become Effective – Procedure for Exchange of Share Certificates or DRS Advices*" in the Information Circular.

For additional information on the registration, authentication, voting and participation processes for Headwater Shareholders, as well as reasons for Headwater's use of the virtual meeting format, see "*General Proxy Matters – Headwater*" in the Information Circular.

Your vote is important to Headwater and we strongly encourage you to participate in the Headwater Meeting and submit the applicable enclosed form of proxy or voting information form. If you have any questions or need additional information, you should consult your financial, legal, tax or other professional advisor. You may also contact Laurel Hill Advisory Group, the proxy solicitation agent retained by Headwater, by calling 1-877-452-7184 (toll-free in Canada and the United States), or 1-416-

304-0211 (outside of Canada and the United States), by texting "INFO" to either number, or by email at assistance@laurelhill.com.

On behalf of the Headwater Board, I would like to thank all Headwater Shareholders for their ongoing support as we work towards completion of this important transaction.

We look forward to your participation at the Headwater Meeting.

Yours sincerely,

(signed) "*Jason Jaskela*"

Jason Jaskela
President and Chief Executive Officer
Headwater Exploration Inc.