No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

*This amended and restated prospectus supplement (the "**Prospectus Supplement**") together with the accompanying short form base shelf prospectus dated November 28, 2024 to which it relates, as amended or supplemented (the "**Prospectus**"), and each document incorporated or deemed to be incorporated by reference herein or therein constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities in those jurisdictions.*

*The securities offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States. The securities offered hereunder may not be offered or sold in the United States. This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See "Plan of Distribution".*

This document contains no offer of transferable securities to the public in the United Kingdom ("U.K.") within the meaning of sections 85(1) and 102B of the United Kingdom Financial Services and Markets Act 2000, as amended, (the "FSMA"). This document is not a prospectus for the purposes of Section 85(1) of FSMA. Accordingly, this document has not been examined or approved as a prospectus by the United Kingdom Financial Conduct Authority (the "FCA") under Section 87A of FSMA or by the London Stock Exchange and has not been filed with the FCA pursuant to the rules published by the FCA implementing the Prospectus Directive (2003/71/EC) (the "U.K. Prospectus Rules") nor has it been approved by a person authorized under FSMA, for the purposes of Section 21 of FSMA.

***Information has been incorporated by reference in this Prospectus Supplement and the accompanying Prospectus to which it relates from documents filed with securities commissions or similar regulatory authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of the Corporation at Suite 2400, 333 – 7th Avenue S.W., Calgary, Alberta, T2P 2Z1 (Telephone: (587) 287-5400) and are also available electronically at www.sedarplus.ca.*

AMENDED AND RESTATED PROSPECTUS SUPPLEMENT

AMENDING AND RESTATING THE PROSPECTUS SUPPLEMENT DATED MARCH 14, 2025

To the Short Form Base Shelf Prospectus dated November 28, 2024

New Issue | March 26, 2025

SOUTHERN ENERGY CORP.

Up to $8,500,000
Up to 121,428,571 Units

$0.07 per Unit

This Prospectus Supplement of Southern Energy Corp. ("**Southern**" or the "**Corporation**"), together with the accompanying Prospectus, qualifies the distribution (the "**Offering**") of 121,428,571 units of the Corporation (the "**Offered Units**") at a price of $0.07 per Offered Unit (the "**Offering Price**"). Each Offered Unit will consist of one common share in the capital of the Corporation (each, a "**Unit Share**") and one common share purchase warrant (each, a "**Warrant**"). Each Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one common share in the capital of the Corporation (each, a "**Warrant Share**") at an exercise price of $0.09 per Warrant Share for a period of 36 months following the Closing Date (as defined herein), subject to certain customary events.

The Offering is being made pursuant to the terms and conditions of an amended and restated agency agreement dated March 26, 2025 (the "**Agency Agreement**") between the Corporation and Research Capital Corporation, as sole agent and sole bookrunner (the "**Agent**"). The Offering Price was determined by arm's length negotiation between the Corporation and the Agent with reference to the prevailing market price of the Common Shares (as defined herein) and other factors. The Offering is being made concurrently in each of the Provinces of Canada, under the terms of this Prospectus Supplement and the accompanying Prospectus. See "*Plan of Distribution*".

In addition to the Offering, the Corporation intends to complete the Private Placement (as defined herein) with invited eligible institutional and professional investors in the U.K. on a reasonable endeavors basis. See "*Recent Developments – Private Placement*".

The Offering is subject to an aggregate minimum raise pursuant to the Offering and the concurrent Private Placement for gross proceeds to the Corporation of US$6.0 million (the "Minimum Amount"). The Agent will not release any funds received from subscriptions until the Minimum Amount to be raised has been met and if the Minimum Amount is not raised within the distribution period, all funds received from subscribers will be returned without any deduction. The condition to raise the Minimum Amount may be waived by mutual agreement of the Agent and the Corporation. Such waiver means that the Corporation could complete the Offering after not reaching the Minimum Amount set out above.

The Common Shares are listed for trading on the TSX Venture Exchange (the "**TSX-V**") under the trading symbol "SOU" and on AIM, a market operated by London Stock Exchange plc ("**AIM**") under the trading symbol "SOUC". On March 25, 2025, being the last trading day prior to the filing of this Prospectus Supplement, the closing prices of the Common Shares on the TSX-V and the AIM were $0.07 and 4.05p, respectively. The TSX-V has provided conditional approval of the listing of the Unit Shares, the Warrant Shares and the Compensation Warrant Shares (as defined below). The Corporation has also applied to the TSX-V for conditional approval of listing of the Warrants. Listing is subject to Southern fulfilling all of the requirements of the TSX-V. It is intended that an application for admission of such Unit Shares, Warrants, Warrant Shares and Compensation Warrant Shares pursuant to the AIM Rules for Companies will be submitted as soon as reasonably practicable following the filing of this Prospectus Supplement. **There is currently no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased under this Prospectus. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation. See "*Risk Factors*".**

	Price to the Public	Agent's Fee(1)	Net Proceeds to the Corporation(2)(3)
Per Offered Unit	$0.07	$0.0042	$0.0658
Total(3)	$8,500,000	$510,000	$7,990,000

Notes:

(1) Southern has agreed to pay the Agent a cash commission equal to 6.0% of the aggregate gross proceeds of the Offering, including any gross proceeds from the exercise of the Over-Allotment Option (as defined herein) (the "**Agent's Fee**"), which is equal to $0.0042 per Offered Unit; provided that the Agent's Fee shall be reduced to 2.0% on sales to purchasers designated by Southern to the Agent to be included in the Offering on a president's list (the "**President's List**"). See "*Description of the Securities Being Distributed*" and "*Plan of Distribution*". As additional consideration for the services rendered in connection with the Offering, the Corporation has agreed to issue non-transferable compensation warrants to the Agent (the "**Compensation Warrants**") equal to 6.0% of the number of Offered Units sold pursuant to the Offering (including the Over-Allotment Option); provided that the entitlement to Compensation Warrants shall be reduced to 2.0% on sales to purchasers on the President's List. Each Compensation Warrant is exercisable for one Common Share (each, a "**Compensation Warrant Share**") at an exercise price of $0.07 for a period of 36 months from the Closing Date, subject to certain customary events. This Prospectus Supplement also qualifies the distribution of the Compensation Warrants and Compensation Warrant Shares. See "*Plan of Distribution*".

(2) After deducting the Agent's Fee but before deducting the expenses of the Offering estimated to be approximately $400,000 (exclusive of GST), which will be paid from the proceeds of the Offering.

(3) The Corporation has granted to the Agent the option (the "**Over-Allotment Option**") to offer for sale up to that number of units (the "**Additional Units**") equal to 15.0% of the aggregate number of Offered Units sold under the Offering (the "**Over-Allotment Percentage**") at the Offering Price for the purpose of covering over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Agent to acquire: (i) up to an aggregate number of Additional Units equal to the Over-Allotment Percentage at the Offering Price; (ii) up to an aggregate number of additional Common Shares (the "**Additional Shares**") equal to the Over-Allotment Percentage at a price of $0.0598 per Additional Share (the "**Additional Share Price**"); (iii) up to an aggregate number of additional Warrants (the "**Additional Warrants**", and together with the Additional Units and the Additional Shares, the "**Additional Securities**") equal to the

Over-Allotment Percentage at a price of $0.0102 per Additional Warrant (the “**Additional Warrant Price**”); or (iv) any combination of Additional Units at the Offering Price, Additional Shares at the Additional Share Price and Additional Warrants at the Additional Warrant Price, provided that the aggregate number of Additional Shares that may be issued under such Over-Allotment Option does not exceed the Over-Allotment Percentage and the aggregate number of Additional Warrants that may be issued under such Over-Allotment Option does not exceed the Over-Allotment Percentage. The Over-Allotment Option is exercisable, in whole or in part, at any time up to 30 days following the Closing Date (the “**Over-Allotment Deadline**”). The Over-Allotment Option is exercisable by the Agent giving notice to the Corporation prior to the Over-Allotment Deadline, which notice shall specify the number of Additional Units, Additional Shares and/or Additional Warrants to be purchased. If the Agent exercise the Over-Allotment Option in full, the total Offering price to the public, the Agent’s Fee and net proceeds to the Corporation (before deducting expenses, and assuming no President's List purchasers) will be approximately $9,775,000, $586,500 and $9,188,500, respectively.

This Prospectus Supplement and the Prospectus also qualify the grant of the Over-Allotment Option and the distribution of the Additional Units, the Additional Shares and the Additional Warrants upon exercise of the Over-Allotment Option. Any purchaser who acquires Additional Units, the Additional Shares or the Additional Warrants forming part of the over-allotment position of the Agent pursuant to the Over-Allotment Option acquires such securities under this Prospectus Supplement and the Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

Unless the context otherwise requires, when used herein, all references to “Offered Units”, "Unit Shares", “Warrants” and “Warrant Shares” includes the Additional Securities (including Warrant Shares issuable pursuant to the exercise of the Additional Warrants), as applicable, issuable upon exercise of the Over-Allotment Option.

The following table sets forth the number of Additional Units issuable under the Over-Allotment Option, assuming no President's List purchasers:

Agent's Position	Maximum Size	Exercise Period	Exercise Price
Over-Allotment Option	18,214,285 Additional Units / 18,214,285 Additional Shares / 18,214,285 Additional Warrants	Up to 30 days from and including the Closing Date	$0.07 per Additional Unit $0.0598 per Additional Share $0.0102 per Additional Warrant

Pursuant to the Agency Agreement, the Agent conditionally offer the Offered Units on a "best efforts" agency basis without underwriter liability by the Agent, if, as and when issued by Southern and accepted by the Agent, in accordance with the terms and conditions contained in the Agency Agreement described under *"Plan of Distribution"* and subject to the approval of certain legal matters on behalf of Southern by Stikeman Elliott LLP and on behalf of the Agent by DS Lawyers Canada LLP. Subscriptions for Offered Units will be received by the Agent subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Closing of the Offering is expected to occur on or about March 31, 2025 or such earlier or later date as Southern and the Agent, may agree upon in writing, acting reasonably (the "**Closing Date**").

Except in certain limited circumstances: (i) the Unit Shares and the Warrants will be registered and held through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee electronically through the non-certificated inventory ("**NCI**") system of CDS; (ii) no certificates evidencing the Offered Units will be issued to subscribers for Offered Units; and (iii) subscribers for Offered Units will receive only a customer confirmation from the Agent or another registered dealer who is a CDS participant and from or through whom a beneficial interest in the Offered Units are purchased. Subscribers who are not issued a certificate evidencing the Offered Units which are subscribed for by them at the Closing Date are entitled under the *Business Corporations Act* (Alberta) ("**ABCA**") to request that a certificate be issued in their name. Such a request will need to be made through the CDS participant through whom the beneficial interest in the securities is held at the time of the request.

An investment in the Offered Units involves certain risks that are described under the heading "*Risk Factors*" and elsewhere in this Prospectus Supplement and the Prospectus, including in the documents incorporated herein by reference and should be considered by any prospective purchaser of the Offered Units. Prospective investors should also be aware that the acquisition or disposition of the securities described herein may have tax consequences in Canada. This Prospectus Supplement and the Prospectus

may not describe these tax consequences fully. You should consult and rely on your own tax advisor with respect to your own particular circumstances.

You should rely only on the information contained or incorporated by reference in this Prospectus Supplement and the Prospectus. If the description of the Offered Units or any other information varies between this Prospectus Supplement and the Prospectus (including the documents incorporated by reference herein and therein), investors should rely on the information in this Prospectus Supplement. Southern and the Agent have not authorized anyone to provide purchasers with information different from that contained or incorporated by reference in this Prospectus Supplement or the Prospectus. If anyone provides you with any different, inconsistent or other information, you should not rely on it. You should not assume that the information contained in or incorporated by reference in this Prospectus Supplement or the Prospectus is accurate as of any date other than the date of the document in which such information appears, except if otherwise specified therein. The Corporation's business, financial condition, results of operations and prospects may have changed since those dates. Southern does not undertake to update information contained or incorporated by reference in this Prospectus Supplement or the Prospectus, except as required by applicable securities laws. The Corporation is not, and the Agent are not, making an offer in respect of the Offered Units in any jurisdiction where such offer is not permitted by law.

John Joseph Nally, a director of the Corporation, resides outside of Canada. Mr. Nally has appointed Stikeman Elliott LLP, 4200 Bankers Hall West, 888 - 3rd Street S.W., Calgary, Alberta, T2P 5C5, as agent for service of process. Purchasers of Offered Units are advised that it may not be possible for purchasers to enforce judgments obtained in Canada against any individual who resides outside of Canada, even if the party has appointed an agent for service of process.

The Corporation's head office is located at Suite 2400, 333 – 7th Avenue S.W., Calgary, Alberta, T2P 2Z1, and the registered office of the Corporation is located at 4200 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta, T2P 5C5.

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SELECTED DEFINITIONS

In this Prospectus Supplement, the following terms have the meanings set forth below.

"**ABCA**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**Agency Agreement**" means the amended and restated agency agreement dated effective March 26, 2025 between the Corporation and the Agent.

"**Agent**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**Agent's Fee**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**AIF**" means the annual information form of the Corporation for the year ended December 31, 2023 dated April 26, 2024.

"**Annual Financial Statements**" means the audited annual consolidated financial statements of the Corporation as at December 31, 2023 and 2022 and for the years ended December 31, 2023 and 2022, together with the notes thereto and the independent auditor's report thereon.

"**Annual MD&A**" means the management's discussion and analysis of the financial condition and operating results of the Corporation for the years ended December 31, 2023 and 2022.

"**Board**" means the board of directors of the Corporation as it may be comprised from time to time.

"**Brokers**" has the meaning ascribed thereto under "*Recent Developments – Private Placement*".

"**Business Day**" means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in the City of Calgary, Alberta, are not open for business.

"**CDS**" means CDS Clearing and Depository Services Inc.

"**Closing**" means the closing of the Offering.

"**Closing Date**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**COGE Handbook**" means the most recent publication of the Canadian Oil and Gas Evaluation Handbook.

"**Common Shares**" means the common shares in the capital of the Corporation.

"**Compensation Warrants**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**Compensation Warrant Shares**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**Corporation**" or "**Southern**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement and, where the context requires, includes subsidiaries.

"Credit Agreement" means the credit agreement dated as of April 30, 2021, among the Corporation, Southern Energy Corp. (Delaware) and the lender, as amended on December 30, 2021, April 8, 2022, May 2, 2022, September 1, 2022, September 29, 2023, February 28, 2024, April 24, 2024, October 30, 2024, January 31, 2025 and March 12, 2025.

"**Credit Facility**" means the credit facility available to the Corporation pursuant to the Credit Agreement.

"**Credit Facility Warrants**" has the meaning ascribed thereto under "*Consolidated Capitalization*".

"**CSA 51-324**" means Staff Notice 51-324 – *Glossary to 51-101 Standards of Disclosure for Oil and Gas Activities* of the Canadian Securities Administrators.

"**Debenture Amendment**" has the meaning ascribed thereto under "*Recent Developments – Debenture Amendment*".

"**Debentures**" means the outstanding 10.0% convertible unsecured subordinated debentures issued by the Corporation.

"Debenture Warrants" means the Common Share purchase warrants issued to the holders of the Debentures as consideration for the amendment to the Debentures on June 26, 2024.

"**IFRS**" means IFRS® Accounting Standards as issued by the International Accounting Standards Board.

"**Interim Financial Statements**" means the condensed consolidated interim financial statements of the Corporation for the three and nine months ended September 30, 2024 and 2023.

"**Interim MD&A**" means the management's discussion and analysis for the three and nine months ended September 30, 2024 and 2023.

"**Minimum Amount**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**NCI**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements* of the Canadian Securities Administrators, as amended or replaced from time to time.

"**NI 44-101**" means National Instrument 44-101 – *Short Form Prospectus Distributions* of the Canadian Securities Administrators, as amended or replaced from time to time.

"**NI 51-101**" means National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* of the Canadian Securities Administrators, as amended or replaced from time to time.

"**Offered Units**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**Offering**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**Offering Price**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**Option Plan**" means the Corporation's existing stock option plan.

"**Options**" means options to purchase Common Shares granted by the Board in accordance with the Option Plan.

"**President's List**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**Private Placement**" has the meaning ascribed thereto under "*Recent Developments – Private Placement*".

"**Prospectus**" means the accompanying short form base shelf prospectus of the Corporation dated November 28, 2024.

"**Prospectus Supplement**" means this amended and restated prospectus supplement of the Corporation dated March 26, 2025.

"**Share Award Incentive Plan**" means the Corporation's existing share award incentive plan.

"**Tax Act**" means the *Income Tax Act* (Canada), as amended, including the regulations promulgated thereunder.

"**TSX-V**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**U.S. Securities Act**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

"**Unit Shares**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**Warrants**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

"**Warrant Shares**" has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

Words importing the singular number include the plural, and vice versa, and words importing any gender include all genders.

GENERAL MATTERS

This document is in two parts. The first part is this Prospectus Supplement, which describes the specific terms of the Offering and also adds to and updates certain information contained in the accompanying Prospectus and the documents incorporated by reference herein and therein. The second part is the accompanying Prospectus, which gives more general information, some of which may not apply to the Offering. This Prospectus Supplement is deemed to be incorporated by reference into the accompanying Prospectus solely for the purposes of the Offering. If the description of the Offered Units varies between this Prospectus Supplement and the accompanying Prospectus, you should rely on the information in this Prospectus Supplement. Before investing, you should carefully read both this Prospectus Supplement and the accompanying Prospectus together with the additional information about the Corporation to which we refer you in the sections of this Prospectus Supplement entitled "*Documents Incorporated by Reference*".

In this Prospectus Supplement and the accompanying Prospectus, unless otherwise indicated, all dollar amounts and references to "US$" are to U.S. dollars and references to "$" are to Canadian dollars. See "*Financial and Exchange Rate Information*".

The Corporation and the Agent are not making an offer in respect of the Offered Units in any jurisdiction where such offer is not permitted by law.

Unless otherwise indicated, all information in this Prospectus Supplement assumes no exercise of the Over-Allotment Option.

References to our website in any documents that are incorporated by reference into this Prospectus Supplement and the accompanying Prospectus do not incorporate by reference the information on such website into this Prospectus Supplement and the accompanying Prospectus, and we disclaim any such incorporation by reference.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus Supplement, the Prospectus and the documents incorporated by reference herein and therein contain forward-looking statements. These statements relate to future events or the Corporation's future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Actual operational and financial results may differ materially from Southern's expectations contained in the forward-looking statements as a result of various factors, many of which are beyond the control of the Corporation.

Undue reliance should not be placed on these forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur and may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Forward-looking statements may include, but are not limited to, statements with respect to:

- the completion of the Offering and the Private Placement for at least the Minimum Amount and timing thereof;
- the completion of the Debenture Amendment and the issuance of the Common Shares and Warrants underlying the units pursuant to the conversion of the Debentures;
- the expected net proceeds from the Offering and the Private Placement and the Corporation's intended use thereof;
- the listing on the TSX-V of the Unit Shares, Warrants and the Warrant Shares issued pursuant to the Offering and the Compensation Warrant Shares;
- the future outlook of the Corporation, its business plan and strategies, and anticipated operational results of the Corporation (including with respect to production);
- drilling locations;
- capacity of infrastructure;
- the performance characteristics of the Corporation's oil and natural gas properties;
- the quantity of the Corporation's oil and natural gas reserves and anticipated future cash flows from such reserves;
- the source of funding for the Corporation's activities including development costs;
- projections of commodity prices and costs;
- supply and demand for oil and natural gas;
- expectations regarding the Corporation's ability to raise capital and to continually add to reserves through acquisitions and development;
- treatment under governmental regulatory regimes and tax laws;
- fluctuations in depletion, depreciation, and accretion rates;
- expected changes in regulatory regimes in respect of royalty curves and regulatory improvements and the effects of such changes; and
- Southern's business and acquisition strategy, the criteria to be considered in connection therewith and the benefits to be derived therefrom.

Some of the risks and other factors, which could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to:

- the conditions to completion of the Offering and/or the Private Placement may not be satisfied;
- the use of proceeds of the Offering by the Corporation may change if the Board determines that it would be in the best interests of the Corporation to deploy the proceeds for some other purpose;

- failure to realize the anticipated benefits of future acquisitions;
- volatility in market prices for oil and natural gas;
- operational risks and liabilities inherent in oil and natural gas operations;
- uncertainties associated with estimating oil and natural gas reserves;
- changes in royalty regimes;
- competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel;
- incorrect assessments of the value of benefits to be obtained from acquisitions and exploration and development programs;
- unforeseen difficulties in integrating assets acquired through acquisitions into the Corporation's operations;
- geological, technical, drilling and processing problems;
- fluctuations in foreign exchange or interest rates and stock market volatility;
- general business and market conditions;
- the accuracy of oil and gas reserves estimates and estimated production levels as they are affected by exploration and development drilling and estimated decline rates;
- the uncertainties in regard to the timing of Southern's exploration and development program;
- fluctuations in the costs of borrowing;
- political or economic developments and national, federal, provincial, state and local laws and regulations such as restrictions on production, the imposition of tariffs, embargoes or export restrictions on the Corporation's products (including tariffs introduced by the U.S. government and countermeasures taken by other countries, both of which are anticipated to evolve);
- ability to obtain regulatory approvals;
- increased operating and capital costs due to inflationary pressures;
- the results of litigation or regulatory proceedings that may be brought against the Corporation;
- changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry; and
- the other factors discussed under "*Risk Factors*" herein, as well as the risk factors discussed in the AIF, the Annual MD&A and the Interim MD&A.

In addition, statements relating to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the reserves described can be profitably produced in the future. There are numerous uncertainties inherent in estimating quantities of oil and natural gas and the future cash flows attributed to such reserves. The reserves and associated cash flow information set forth herein and in the AIF are estimates only. In general, estimates of economically recoverable oil and natural gas and the future net cash flows therefrom are based upon a number of variable factors and assumptions, such as historical production from the properties, production rates, ultimate reserves and resources recovery, timing and amount of capital investments, marketability of oil and natural gas, royalty rates, the assumed effects of regulation by governmental agencies and future operating costs, all of which may vary materially. For these reasons, estimates of the economically recoverable oil and natural gas attributable to any particular group of properties, classification of such reserves based on risk of recovery and estimates of future net revenues associated with reserves prepared by different evaluators, or by the same evaluators at different times, may vary. The actual production, revenues, taxes and development and operating expenditures of the Corporation with respect to its reserves will vary from estimates thereof and such variations could be material.

This Prospectus Supplement contains future-oriented financial information and financial outlook information (collectively, "**FOFI**") about the Corporation's prospective results of operations; the addition of USD$20.0 million in PDP NPV10 value through the accelerated development program in Gwinville and Mechanicsburg; the performance of the drilled and uncompleted wells (once completed) and new wells, including, based on type curve estimates (see below for further discussion), (i) having IP30 rates of approximately 5.5 MMcf/d per well and ultimate recovery per Gwinville well of approximately 3.5 Bcf and (ii) having IP30 rates of approximately 4.2 MMcf/d plus 75 bbl/d of liquids per Mechanicsburg well, with ultimate recovery per well of approximately 3.7 Bcf; operating costs; that new wells which would achieve an internal rate of return of approximately 30% at a natural gas price of $3.75/MMBtu; expectations that wells will have (i) an internal rate of return of 86% per Gwinville well and (ii) an internal rate of return of 77% for the Mechanicsburg wells; expectations of completion of Gwinville wells at approximately USD$2.5 million per well and completion of Mechanicsburg wells at approximately USD$3.5 million per well; achieving production greater than 4,000 boepd by end-of-year 2025, and components thereof, including pro forma the completion of the Offering and the Private Placement, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth herein. FOFI contained in this Prospectus Supplement was approved by management as of the date of this Prospectus Supplement and was provided for the purpose of describing the anticipated effects of the Offering on the Corporation's anticipated future business operations. The Corporation disclaims any intention or obligation to update or revise any FOFI contained in this Prospectus Supplement, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this Prospectus Supplement should not be used for purposes other than for which it is disclosed herein. The Corporation's actual results may differ materially from these estimates. Changes in forecast commodity prices, differences in the timing of capital expenditures, and variances in average production estimates would have a significant impact on Southern's actual future business operations. See "*Risk Factors*".

With respect to forward-looking statements contained in this Prospectus Supplement, the Corporation has made assumptions regarding, among other things: the successful completion of the Offering and the Private Placement; the timing of obtaining regulatory and third party approvals and completion of the Offering and the Private Placement; that commodity prices will be consistent with the current forecasts of its engineers; field netbacks; average production rates; costs to drill, complete and tie-in wells; ultimate recovery of reserves; that royalty regimes will not be subject to material modification; that the Corporation will be able to obtain skilled labour and other industry services at reasonable rates; that the timing and amount of capital expenditures and the benefits therefrom will be consistent with the Corporation's expectations; the impact of increasing competition; that the conditions in general economic and financial markets will not vary materially; that the Corporation will be able to access capital, including debt, on acceptable terms; that drilling, completion and other equipment will be available on acceptable terms; that government regulations and laws will not change materially; that royalty rates will not change in any material respect; that future operating costs will be consistent with the Corporation's expectations; and the Corporation's business and acquisition strategy, the criteria in connection therewith and the benefits to be derived therefrom

The Corporation has included the above summary of assumptions and risks related to forward-looking statements provided in this Prospectus Supplement in order to provide investors with a more complete perspective on the Corporation's current and future operations and such information may not be appropriate for other purposes. Forward-looking statements contained in certain documents incorporated by reference into this Prospectus Supplement and the Prospectus are based on the key assumptions and are subject to the risks described herein, therein and in the documents incorporated by reference. The reader is cautioned that such assumptions, although considered reasonable by the Corporation at the time of preparation, may prove to be incorrect.

Readers are cautioned that the foregoing list of risk factors should not be construed as exhaustive. The forward-looking statement disclosure contained in the Prospectus, this Prospectus Supplement, and the documents incorporated by reference therein and herein, are expressly qualified by this cautionary statement. These forward-looking statements are made as of the date of the Prospectus, this Prospectus Supplement, or in the case of the documents incorporated by reference therein or herein, as of the dates of such documents, as applicable. Unless required by law, the Corporation does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers should also carefully consider the matters discussed under the heading "Risk Factors" in the Prospectus and in this Prospectus Supplement.

SPECIFIED FINANCIAL MEASURES

The Prospectus and this Prospectus Supplement, including the documents incorporated by reference therein and herein, contain certain financial measures and ratios, which do not have standardized meanings prescribed by IFRS. As these non-IFRS financial measures and ratios are commonly used in the oil and gas industry, Southern believes that their inclusion is useful to investors. These terms are not defined by IFRS and therefore may not be comparable to similar measures presented by other companies. Readers are cautioned that these non-IFRS measures should not be construed as an alternative to other measures of financial performance calculated in accordance with IFRS. The non-IFRS financial measures and ratios used in the Prospectus and this Prospectus Supplement, and in certain of the documents incorporated by reference herein, are used by the Corporation as key measures of financial performance. For further information, readers should refer to the section entitled "*Specified Financial Measures*" located in the Annual MD&A and the Interim MD&A, as available on the Corporation's SEDAR+ profile at www.sedarplus.ca.

CONVENTIONS

Certain terms used herein are defined in the "*Selected Definitions*". Certain other terms used herein but not defined herein are defined in NI 51-101 and CSA 51-324 and, unless the context otherwise requires, shall have the same meanings herein as in NI 51-101 and CSA 51-324. All financial information herein has been presented in accordance with IFRS or NI 51-101 and CSA 51-324. Words importing the singular number only include the plural, and vice versa, and words importing any gender include all genders. **All dollar amounts set forth in this Prospectus Supplement are in Canadian dollars, except where otherwise indicated.**

CONVERSIONS

The following table sets forth certain conversions between Standard Imperial Units and the International System of Units (or metric units).

To Convert From	To	Multiply By
Mcf	cubic metres	28.317
cubic metres	cubic feet	35.315
bbls	cubic metres	0.159
cubic metres	bbls	6.289
Feet	Metres	0.305
Metres	Feet	3.281
Miles	kilometres	1.609
Kilometres	Miles	0.621
Acres	hectares	0.405
Hectares	Acres	2.471
Gigajoules	MMbtu	0.950
MMbtu	gigajoules	1.0526

ABBREVIATIONS

Oil and Natural Gas Liquids		Natural Gas	
bbl	barrel	Mcf	thousand cubic feet
bbls	barrels	Mcfe	thousand cubic feet equivalent
bbls/d	barrels per day	MMcf	million cubic feet
Mbbls	thousand barrels	Bcf	billion cubic feet
MMbbls	million barrels	Mcf/d	thousand cubic feet per day
Mstb	thousand stock tank barrels of oil	MMcf/d	million cubic feet per day
NGLs	natural gas liquids	MMbtu	million British Thermal Units

Other

API	American Petroleum Institute
°API	an indication of the specific gravity of crude oil measured on the API gravity scale
BOE or boe	barrel or barrels of oil equivalent, using the conversion factor of 6 Mcf of natural gas being equivalent to one barrel of oil
boepd	barrels of oil equivalent per day
LNG	liquified natural gas
Mboe	thousand barrels of oil equivalent.
MMboe	million barrels of oil equivalent
NTM	next twelve months
NPV10	net present value at a 10% discount rate (before tax)
PDP	proved developed producing
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma for the crude oil standard grade
$000s or $M	thousands of dollars
$MM	millions of dollars

OIL AND GAS READER ADVISORIES

Type Curves

Type curve disclosure presented herein represents estimates of the production decline and ultimate volumes expected to be recovered from wells over the life of the well. The reservoir engineering and statistical analysis methods utilized are broad and can include various methods of technical decline analyses, and reservoir simulation all of which are generally prescribed and accepted by the COGE Handbook and widely accepted reservoir engineering practices. These type curves were generated by Southern's internal qualified reserves evaluator and incorporate the most recent data from actual well results and would only be representative of the specific drilled locations. There is no guarantee that Southern will achieve the estimated or similar results derived therefrom. Individual wells may be higher or lower but over a larger number of wells, management expects the average to come out to the type curve. Over time type curves can and will change based on achieving more production history on older wells or more recent completion information on newer wells.

Drilling Locations

This Prospectus Supplement discloses drilling locations in two categories: (i) booked locations; and (ii) unbooked locations. Booked locations are derived from the report prepared by Netherland, Sewell & Associates, Inc. dated February 20, 2024 and effective as of December 31, 2023 evaluating the crude oil, natural gas and natural gas liquids reserves of Southern and account for drilling locations that have associated proved and/or probable reserves, as applicable. Unbooked locations are internal estimates by the Corporation’s internal qualified reserves evaluator based on the prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources. There is no certainty that the Corporation will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The drilling locations considered for future development will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations have been derisked by drilling existing wells in relative close proximity to such unbooked drilling locations, other unbooked drilling locations are farther away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.

Reserves Disclosure

Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves. Proved developed producing reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty. Undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves category (proved, probable, possible) to which they are assigned.

Product Types

References to "natural gas" throughout this Supplemental Prospectus refer to conventional natural gas as defined by NI 51-101. References to "liquids" throughout this Supplemental Prospectus comprise pentane, butane, propane, and ethane, being all natural gas liquids as defined by NI 51-101.

Unit Cost Calculation.

Natural gas liquids volumes are recorded in barrels of oil (bbl) and are converted to a thousand cubic feet equivalent (Mcfe) using a ratio of six (6) thousand cubic feet to one (1) barrel of oil (bbl). Natural gas volumes recorded in thousand cubic feet (Mcf) are converted to barrels of oil equivalent (boe) using the ratio of six (6) thousand cubic feet to one (1) barrel of oil (bbl). Mcfe and boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf:1 bbl or a Mcfe conversion ratio of 1 bbl:6 Mcf is based in an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In addition, given that the value ratio based on the current price of oil as compared with natural gas is significantly different from the energy equivalent of six to one, utilizing a boe conversion ratio of 6 Mcf:1 bbl or a Mcfe conversion ratio of 1 bbl:6 Mcf may be misleading as an indication of value.

Initial Production Volumes

References in this Prospectus Supplement to peak rates, initial production rates, IP30 and other short-term production rates are useful in confirming the presence of hydrocarbons, however such rates are not determinative of the rates at which such wells will commence production and decline thereafter and are not indicative of long-term performance or of ultimate recovery. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production of Southern.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference in the Prospectus solely for the purpose of the distribution of the Offered Units by the Corporation. Other documents are also incorporated, or deemed to be incorporated, by reference in the Prospectus and reference should be made to the Prospectus for full particulars thereof.

The following documents filed by the Corporation with the securities commissions or similar authorities in each of the Provinces of Canada, are specifically incorporated by reference into, and form an integral part of, this Prospectus Supplement and the Prospectus, provided that such documents (or disclosure contained therein) are not incorporated by reference to the extent that their contents are modified or superseded by a statement contained in this Prospectus Supplement or in any subsequently filed document that is also incorporated by reference in this Prospectus Supplement:

1. the AIF;
2. the Annual Financial Statements;
3. the Annual MD&A;
4. the Interim Financial Statements;
5. the Interim MD&A;
6. the management information circular of the Corporation dated May 6, 2024, with respect to the annual general and special meeting of the shareholders of the Corporation held on June 20, 2024;
7. the template version (as such term is defined in NI 41-101) of the amended term sheet filed on SEDAR+ on March 25, 2025 in connection with the Offering (the "**Term Sheet**"); and
8. the investor presentation dated March 12, 2025 (collectively with the Term Sheet, the "**Marketing Materials**").

Any documents of the types referred to in Section 11.1 of Form 44-101F1 of NI 44-101 (other than confidential material change reports, if any) filed by the Corporation with the securities commissions or similar regulatory authorities in Canada after the date of this Prospectus Supplement and prior to the termination of the distribution of the Offered Units under this Prospectus Supplement shall be deemed to be incorporated by reference in this Prospectus Supplement. The documents incorporated or deemed to be incorporated herein by reference contain meaningful and material information relating to the Corporation and readers should review all information contained in this Prospectus Supplement, the Prospectus and the documents incorporated or deemed to be incorporated herein or therein by reference.

Any statement contained in this Prospectus Supplement, the Prospectus or in a document incorporated or deemed to be incorporated by reference herein or therein or in any subsequently filed document which also is or is deemed to be incorporated by reference herein or therein for the purposes of the Offering will be deemed to be modified or superseded for the purposes of this Prospectus Supplement to the extent that a statement contained herein or in the Prospectus, or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein or in the Prospectus, modifies or supersedes that prior statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set out in the document that it modifies or supersedes. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus Supplement. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of the Corporation at Suite 2400, 333 – 7th Avenue S.W., Calgary, Alberta, T2P 2Z1, telephone: (587) 287-5400, and are also available electronically at www.sedarplus.ca.

MARKETING MATERIALS

The Marketing Materials are not part of this Prospectus Supplement or the Prospectus to the extent that the contents of the Marketing Materials have been modified or superseded by a statement contained in this Prospectus Supplement or any amendment. Any "**template version**" of "**marketing materials**" (each as defined in NI 41-101) filed with the securities commission or similar authority in Canada in connection with the Offering after the date hereof but prior to the termination of the distribution of the Offered Units under this Prospectus Supplement (including any amendments to, or an amended version of, the Marketing Materials) is deemed to be incorporated by reference herein.

FINANCIAL AND EXCHANGE RATE INFORMATION

The financial statements of the Corporation incorporated by reference in this Prospectus Supplement and the accompanying Prospectus, and the selected consolidated financial data derived therefrom included herein and in the accompanying Prospectus, have been prepared in accordance with IFRS and are reported in U.S. dollars.

The following table sets forth for each period indicated: (i) the high daily exchange rates during the period; (ii) the low daily exchange rates during the period; (iii) the average daily exchange rates for such period; and (iv) and the rate of exchange in effect at the end of each of those periods for one U.S. dollar, expressed in Canadian dollars, as quoted by the Bank of Canada.

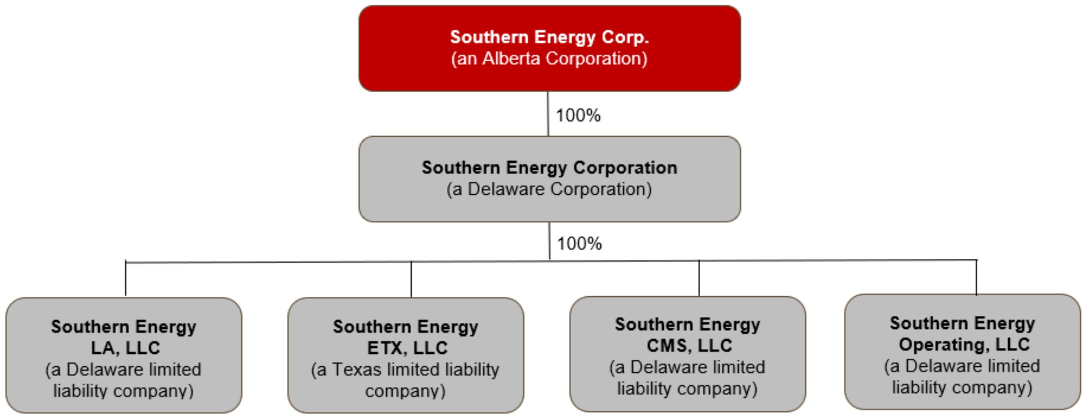
	Year Ended December 31,		
	2024	**2023**	**2022**
Highest rate during the period	$1.44	$1.39	$1.38
Lowest rate during the period	$1.33	$1.31	$1.25
Average rate for the period	$1.37	$1.35	$1.30
Rate at the end of the period	$1.44	$1.32	$1.35

The monthly average exchange rate during the first two months of 2025, for one U.S. dollar, expressed in Canadian dollars, as quoted by the Bank of Canada, is 1.43. On March 25, 2025, the daily exchange rate as quoted by the Bank of Canada was $1.00 = US$0.70 (US$1.00 = $1.43).

THE CORPORATION

The Corporation was incorporated as "7015321 Canada Limited" pursuant to the provisions of the *Canada Business Corporations Act* ("**CBCA**") on July 22, 2008. On August 15, 2008, the name of the Corporation was changed to "MAX Minerals Ltd." On October 8, 2010, the name of the Corporation was changed to "Standard Exploration Ltd.". On December 31, 2018, the issued and outstanding Common Shares were consolidated on the basis of one (1) post-consolidation Common Share for every five (5) pre-consolidation Common Shares. On January 2, 2019, the name of the Corporation was then changed from "Standard Exploration Ltd." to "Southern Energy Corp.". On January 7, 2020, the Corporation continued out of the federal jurisdiction of Canada under the CBCA to the provincial jurisdiction of Alberta under the ABCA. In December 2021, the Corporation consolidated its Common Shares on the basis of one (1) post-consolidation Common Share for every eight pre-consolidation Common Shares.

The following diagram describes the inter-corporate relationships among the Corporation and its subsidiaries as of the date hereof:



The head office of the Corporation is located at Suite 2400, 333 – 7th Avenue S.W., Calgary, Alberta, T2P 2Z1, and the registered office of the Corporation is located at 4200 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta, T2P 5C5.

BUSINESS OF THE CORPORATION

Southern is a natural gas exploration and production company with assets in Mississippi characterized by a stable, low-decline production base, a significant low-risk drilling inventory and strategic access to the best commodity pricing in North America. Southern has a primary focus on acquiring and developing conventional natural gas and light oil resources in the southeast Gulf States of Mississippi, Louisiana, and East Texas (referred to as the Southeast Gulf States). Southern's mission is to build a socially responsible and environmentally conscious natural gas and light oil company in the Southeast Gulf States. In these areas, Southern has access to major pipelines, significant Corporation-owned infrastructure, year-round access to drill, and the ability to shift focus between natural gas or crude oil development as commodity prices fluctuate; all factors that contribute to mitigating corporate risk. Southern's goal is to continually grow shareholder value through organic growth opportunities and strategic, accretive acquisitions.

For additional information with respect to the Corporation's business, operations and financial condition, please refer to the AIF, the Annual MD&A and the Interim MD&A, each incorporated by reference herein and available on SEDAR+ at www.sedarplus.ca.

RECENT DEVELOPMENTS

Well Drilling Program

The Corporation is conducting the Offering and the Private Placement to accelerate the completion of its three drilled and uncompleted wells, drilled as part of its Q1 2023 drilling campaign on its Gwinville acreage, as well as fully funding (alongside cashflow) the drilling of two vertical Cotton Valley wells on its Mechanicsburg acreage. The accelerated development program in Gwinville and Mechanicsburg is anticipated to be accretive to Southern through the addition of approximately US$20.0 million in PDP NPV10 value. Based on type curve estimates, the Corporation expects the Gwinville drilled and uncompleted wells, once completed, to have initial production (IP30) rates of approximately 5.5 MMcf/d per well, with expected ultimate recovery per well of approximately 3.5 Bcf, while the Mechanicsburg wells are expected to have IP30 rates of approximately 4.2 MMcf/d plus 75 bbl/d of liquids per well, with ultimate recovery per well of approximately 3.7 Bcf.

The Gwinville drilled and uncompleted wells are forecast, following their completion, to have an internal rate of return of 86%, while the new Mechanicsburg wells are forecasted to have an IRR of 77%. Management of the Corporation believes that completion of these wells provides Southern with a significant platform for organic growth, with production expected to reach up to greater than 4,000 boepd by end-of-year 2025.

Southern has identified over 100 additional horizontal drilling locations at Gwinville, which it will target for development in appropriate gas price environments. Future wells are expected to achieve an internal rate of return of approximately 30% at a natural gas price of $3.75 / MMBtu.

The Private Placement

In addition to the Offering, the Corporation intends to complete a private placement in the U.K. by way of an accelerated bookbuild process on the same terms as the Offering (the "**Private Placement**").

The Corporation has appointed Tennyson Securities, a trading name of Shard Capital Partners LLP, and Hannam & Partners, a trading name of H&P Advisory Limited (together, the "**Brokers**") as the Corporation's joint brokers and bookrunners for the Private Placement. Pursuant to the terms of an amended and restated placing agreement dated March 24, 2025 between the Corporation and the Brokers, the Brokers have agreed to use their respective reasonable endeavors to procure subscriptions from eligible institutional investors. The Private Placement is not underwritten.

This Prospectus Supplement and the Prospectus do not qualify the distribution of the units or the underlying Common Shares or Warrants sold pursuant to the Private Placement. The Common Shares subscribed for under the Private Placement will rank *pari passu* in all respects with the Corporation's existing Common Shares, and be issued on a private placement basis in the U.K. and accordingly may not be offered for resale or resold within Canada or to a Canadian resident, subject to certain exceptions, for a period of four months and one day following the distribution date. The Corporation expects to close the Private Placement no later than 8:00 a.m. (GMT) on March 31, 2025, but the Brokers reserve the right to close the Private Placement earlier or later, without further notice. Application will be made for the Common Shares and the Common Shares issuable upon exercise of the Warrants issued pursuant to the Private Placement to be admitted to trading on AIM and listed and posted for trading on the TSX-V. Completion of the Private Placement is subject to customary conditions, including the approval of the TSX-V and AIM.

The Corporation intends that the Private Placement will be conducted in conjunction with the Offering. The Corporation intends to use the net proceeds from the Private Placement to accelerate the completion of its four drilled and uncompleted wells. For more details, please refer to "*Recent Developments – Well Drilling Program*" and "*Use of Proceeds*".

The Private Placement is only being, and may only be, made to and is directed only at persons in the U.K.: (A) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (ii) falling within Article 49(2)(a) to (d) of the Order and (iii) to whom it may otherwise lawfully be communicated; and (B) who are "qualified investors" within the meaning of Article 2(e) of the EU Prospectus Regulation as it forms part of domestic EU law as defined in the European Union (Withdrawal) Act 2018, as amended (all such persons together being referred to as "Relevant Persons").

Amendment to the Credit Facility

In conjunction with the Offering and the Private Placement, the Corporation executed an amendment to the Credit Facility to reduce monthly principal amortization payments to approximately 15% per annum, which is expected to free up more than $2.5 million over the remaining term of the loan to support continued organic growth, and modifying asset coverage ratio financial covenant to 1.75x until January 1, 2026 and 2.0x thereafter, with such amendments to be made effective upon the completion of the Offering and the

Private Placement for at least the Minimum Amount.

Debenture Amendment

The Corporation is seeking the approval of the holders of its outstanding convertible unsecured subordinated Debentures, by way of obtaining extraordinary resolutions of greater than 66 2/3% of the aggregate principal amount of the Debentures, to amend the terms of the indenture governing the Debentures such that, subject to and following the completion of the Offering, an amount equal to 102.5% of the principal amount outstanding under the Debentures plus all accrued and unpaid interest as of the closing date would convert into units at the Offering Price (the "**Debenture Amendment**"), each unit consisting of one Common Share and one Warrant. The completion of the Debenture Amendment and the issuance of the Common Shares and Warrants upon the conversion of the Debentures remain subject to acceptance of the TSX-V. The Units and underlying Common Shares and Warrants to be issued pursuant to the Debenture Amendment will be subject to customary lock-up provisions.

DESCRIPTION OF THE SECURITIES BEING DISTRIBUTED

Offering

The Offering consists of up to 121,428,571 Offered Units, in any case for aggregate gross proceeds of up to $8,500,000 (assuming no exercise of the Over-Allotment Option), subject to the satisfaction of the Minimum Amount. Each Offered Unit will consist of one Common Share and one Warrant. Each Warrant will entitle the holder to purchase one Warrant Share at an exercise price of $0.09 for a period of 36 months following the completion of the Offering. The Offered Units will separate into Common Shares and Warrants immediately upon the closing of the Offering. The Offered Units are offered at the Offering Price of $0.07 per Offered Unit.

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares, without nominal or par value. As of the date of this Prospectus Supplement, 169,385,824 Common Shares are issued and outstanding.

In addition: (a) 8,166,875 Common Shares are reserved for issuance pursuant to the exercise of outstanding Options issued pursuant to the Option Plan; (b) 1,699,133 Common Shares are reserved for issuance pursuant to the vesting of outstanding restricted share issued pursuant to the Share Award Incentive Plan; (c) 1,863,478 Common Shares are reserved for issuance pursuant to the exercise of outstanding Debenture Warrants; (d) 3,906,250 Common Shares are reserved for issuance pursuant to the exercise of outstanding Credit Facility Warrants; and (e) 62,759,286 Common Shares and 62,759,286 Warrants are reserved for issuance pursuant to the conversion of the Debentures in accordance with the Debenture Amendment.

Holders of Common Shares are entitled to: (a) one vote per Common Share at all meetings of shareholders of the Corporation; (b) receive dividends if, as and when declared by the Board; and (c) in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or any other distribution of its assets for the purpose of winding up its affairs, share rateably in such assets of the Corporation as are available for distribution.

Provisions as to the modification, amendment or variation of such rights or provisions are contained in the Corporation's articles and in the ABCA.

Warrants

The following is a summary of the principal attributes of the Warrants issuable pursuant to the Offering and certain anticipated provisions of the Warrant Indenture mentioned hereunder. This summary does not purport to be complete and is qualified in its entirety by the detailed provisions of the Warrant Indenture (as defined herein). Upon closing of the Offering, a copy of the Warrant Indenture may be obtained on request from the Corporation's Chief Financial Officer and will be available electronically at www.sedarplus.ca. Reference should be made to the Warrant Indenture for the full text of the attributes of the Warrants.

Each Warrant entitles its holder, upon the payment of the exercise price of $0.09, to purchase one Warrant Share for a period of 36 months from the Closing Date.

The Warrants will be governed by an agreement to be entered into on the Closing Date (the "**Warrant Indenture**") between the Corporation and Odyssey Trust Company (the "**Warrant Agent**"). The Corporation will designate the Warrant Agent, in its Calgary, Alberta office, as agent for the Warrants. With the consent of the Agent, prior to the closing of the Offering, the Corporation may name any other agents with respect to the Warrants.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

(i) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of Common Shares by way of a stock dividend or other distribution (other than a dividend paid in the ordinary course or a distribution of Common Shares upon the exercise of any outstanding warrants or options);

(ii) the subdivision, redivision or change of the Common Shares into a greater number of shares;

(iii) the consolidation, reduction or combination of the Common Shares into a lesser number of shares;

(iv) the issuance to all or substantially all of the holders of Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per Common Share to the holder (or at an exchange or conversion price per share) of less than 95% of the "current market price", as defined in the Warrant Indenture, of Common Shares on such record date; and

(v) the issuance or distribution to all or substantially all of the holders of securities, including shares of any class other than Common Shares, rights, options or warrants to acquire Common Shares or securities exchangeable or convertible into Common Shares or property or assets and including evidences of indebtedness, or any property or other assets.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of the following additional events:

(i) the reclassification of the Common Shares;

(ii) the consolidation, amalgamation, arrangement or merger with or into any other corporation or other entity (other than a consolidation, amalgamation, arrangement or merger which does not result in any reclassification of the Corporation's outstanding Common Shares or a change of the Common Shares into other shares); or

(iii) the transfer of the Corporation's undertakings or assets as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the exercise price or number of Warrant Shares will be required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least 1% in the exercise price or a change in the number of Warrant Shares purchasable upon exercise by at least one one-hundredth ($1/100^{th}$) of a Common Share, as the case may be.

The Corporation will covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, the Corporation will give notice to Warrant holders of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least 14 days prior to the record date or effective date, as the case may be, of such event.

No fraction of a Warrant Share will be issued upon the exercise of a Warrant and no cash payment will be made in lieu thereof. Warrant holders are not entitled to any voting rights or pre-emptive rights or any other rights conferred upon a person as a result of being a holder of Common Shares.

From time to time, and in accordance with applicable law and the rules of any applicable stock exchange, the Corporation and the Warrant Agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by "extraordinary resolution", which will be defined in the Warrant Indenture as a resolution either: (a) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 20% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution; or (b) adopted by an instrument in writing signed by the holders of not less than 66⅔% of the aggregate number of all then outstanding Warrants. The Warrants and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws, and the Warrants will not be exercisable by or on behalf of a person in the United States or a U.S. person (as such term is defined in Regulation S under the U.S. Securities Act), nor will certificates representing the Warrant Shares be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. Securities Act and any applicable state securities laws is available and the Corporation has received an opinion of counsel of recognized standing or other evidence to such effect in form and substance reasonably satisfactory to the Corporation; provided, however, that a holder who is a Qualified Institutional Buyer (as defined in the U.S. Securities Act) at the time of exercise of the Warrants who purchased Units in the Offering will not be required to deliver an opinion of counsel or such other evidence in connection with the exercise of Warrants that are a part of those Units.

CONSOLIDATED CAPITALIZATION

The following table sets forth the unaudited consolidated capitalization as at September 30, 2024: (i) before giving effect to the Private Placement, the Offering or the exercise of the Over-Allotment Option; (ii) after giving effect to the Private Placement and the Offering, but before giving effect to the exercise of the Over-Allotment Option); and (iii) after giving effect to the Private Placement and the Offering, including the exercise of the Over-Allotment Option. This table should be read in conjunction with the Interim Financial Statements and the Interim MD&A, which have been incorporated by reference into this Prospectus.

	As at September 30, 2024 before giving effect to the Private Placement, the Offering or the exercise of the Over-Allotment Option	As at September 30, 2024 after giving effect to the Private Placement and the Offering (but before giving effect to the exercise of the Over-Allotment Option)(1)(2)	As at September 30, 2024 after giving effect to the Private Placement and the Offering, including the full exercise of the Over-Allotment Option(3)
Share Capital ($) (4)(5)(6)(7)	**USD$80.0 million**	**USD$86.0 million**	**USD$86.9 million**
Common Shares	167,242,824	288,671,395	306,885,680
Preferred Shares	Nil	Nil	Nil
Warrants			
Warrants	Nil	121,428,571	139,642,856
Credit Facility Warrants	3,906,250	3,906,250	3,906,250
Debenture Warrants	1,863,478	1,863,478	1,863,478
Indebtedness			
Credit Facility ($) (7)(8)	USD$ 17.1 million	USD$ 17.1 million	USD$ 17.1 million
Debentures (9)	USD$ 3.2 million 4,286 Debentures	USD$ 3.2 million 4,286 Debentures	USD$ 3.2 million 4,286 Debentures

Notes:

(1) See "*Recent Developments – The Private Placement*" for further information on the Private Placement.

(2) Based on the issuance of: (i) approximately 121,428,571 Common Shares and approximately 121,428,571 Warrants in connection with the Private Placement for aggregate gross proceeds of approximately $8,500,000 (approximately £4,800,000 million/ USD$6,000,000 million), less estimated expenses of the Private Placement of $910,000 (exclusive of GST), for net proceeds to the Corporation of $7,590,000, such amount being an estimate only and subject to change prior to the completion of the Private Placement; and (ii) 121,428,571 Offered Units in connection with the Offering for aggregate gross proceeds of $8,500,000, less the Agent's Fee of $510,000 and the estimated expenses of the Offering of $400,000 (exclusive of GST), for net proceeds to the Corporation of $7,590,000 (assuming no President's List purchasers). Foreign exchange rates of GBP:CAD 1.87, GBP:USD 1.29 & USD:CAD 1.44 were used in the above calculations. The Corporation intends to use the net proceeds from the Offering and the Private Placement to accelerate the completion of certain drilled and uncompleted wells. For more details, please refer to "*Use of Proceeds*".

(3) Based on the issuance of: (i) approximately 139,642,856 Common Shares and approximately 139,642,856 Warrants in connection with the Private Placement for aggregate gross proceeds of approximately $9,775,000 (approximately £5,520,000 million/ USD$6,900,000 million), less estimated expenses of the Private Placement of $986,500 (exclusive of GST), for net proceeds to the Corporation of $8,788,500; and (ii) assuming full exercise of the Over-Allotment Option, 139,642,856 Offered Units in connection with the Offering for aggregate gross proceeds of $9,775,000, less the Agent's Fee of $586,500 and the estimated expenses of the Offering of $400,000 (exclusive of GST), for net proceeds to the Corporation of $8,788,500 (assuming no President's List purchasers). Foreign exchange rates of GBP:CAD 1.87, GBP:USD 1.29 & USD:CAD 1.44 were used in the above calculations. The Corporation intends to use the net proceeds from the Offering and the Private Placement to accelerate the completion of certain drilled and uncompleted wells. For more details, please refer to "*Use of Proceeds*".

(4) Does not include Options granted pursuant to the Corporation's Option Plan. As at each of September 30, 2024, Options to purchase an aggregate of 8,166,875 Common Shares were outstanding pursuant to the Option Plan. The average price at which outstanding Options are exercisable is $0.62 per Common Share, and the outstanding Options have a weighted average remaining term to expiry of 3.5 years. Each Option entitles the holder upon exercise to acquire one Common Share.

(5) Does not include Debenture Warrants. As at each of September 30, 2024 and the date hereof, 1,863,478 Debenture Warrants were outstanding. Each Debenture Warrant entitles the holder thereof to purchase one Common Share at a price of $0.26 for a period of 12 months from the date of issuance.
(6) Does not assume exercise of Warrants.
(7) Southern Energy Corp. (Delaware), one of the wholly-owned subsidiaries of the Corporation, holds the Credit Facility, pursuant to the terms of the Credit Agreement, which is comprised of: (i) Tranche A of US$5.5 million which was advanced on April 30, 2021; (ii) Tranche B of US$31.5 million with an availability until December 31, 2026; and (iii) the issuance of 5,156,250 common share purchase warrants (the "**Credit Facility Warrants**"), of which 3,906,250 Credit Facility Warrants were outstanding as of September 30, 2024, not included in Share Capital (as stated in the above line item) that allow the holder thereof to purchase one (1) Common Share at an exercise price of $0.40 per Common Share, any time prior to August 31, 2025. Interest on the Credit Facility is 15.0% per annum, paid monthly in arrears on the last day of the month. The Credit Facility is secured against the oil and gas properties of Southern and matures on December 31, 2026. As of September 30, 2024, the Corporation was in compliance with all covenants under its Credit Facility.
(8) As at September 30, 2024, the Corporation had $17.1 million drawn on the Credit Facility and $10.0 million available from Tranche B.
(9) The Corporation issued the Debentures on June 14, 2019 and January 15, 2021. As at September 30, 2024 and as of the date hereof, an aggregate principal amount of CAD$4,286,000.00 Debentures remains outstanding. Assuming the Debenture Amendment is completed, the Debentures would convert into approximately 62,759,286 Common Shares and 62,759,286 Warrants on the Closing Date.

TRADING PRICE AND VOLUME

TSX-V Trading Prices and Volumes

The Common Shares are listed on the TSX-V under the trading symbol "SOU". On March 25, 2025, the last trading day before the filing of this Prospectus Supplement the closing price of the Common Shares on the TSX-V was $0.07. The following table sets forth the price range and trading volume of the Common Shares as reported by TMX Group Limited for the periods indicated:

Period	High (CAD$)	Low (CAD$)	Volume
February 2025	$0.14	$0.10	3,057,069
January 2025	$017	$0.13	3,514,084
December 2024	$0.14	$0.08	3,633,911
November 2024	$0.12	$0.09	2,535,258
October 2024	$0.15	$0.12	1,766,884
September 2024	$0.16	$0.14	2,827,133
August 2024	$0.18	$0.15	3,175,770
July 2024	$0.19	$0.16	1,754,913
June 2024	$0.24	$0.17	1,532,310
May 2024	$0.25	$0.17	4,326,441
April 2024	$0.19	$0.16	2,246,339
March 2024	$0.18	$0.16	1,654,380
February 2024	$0.21	$0.16	2,743,666

AIM Trading Prices and Volumes

The Common Shares are listed on the AIM under the trading symbol "SOUC". On March 25, 2025, the last trading day before the filing of this Prospectus Supplement the closing price of the Common Shares on the AIM was 4.05p. The following table sets forth the price range and trading volume of the Common Shares as reported by the AIM for the periods indicated:

Period	High (£)	Low (£)	Volume
February 2025	0.0685	0.0635	192,741
January 2025	0.0835	0.0835	456,138
December 2024	0.0605	0.0540	537,828
November 2024	0.0613	0.0613	1,355,339
October 2024	0.0675	0.0675	129,247
September 2024	0.0800	0.0800	1,236,588

August 2024	0.0850	0.0850	381,522
July 2024	0.0950	0.0950	143,900
June 2024	0.1320	0.1320	401,223
May 2024	0.1160	0.1160	840,798
April 2024	0.1030	0.0980	2,477,022
March 2024	0.0932	0.0932	1,146,837
February 2024	0.1175	0.1175	634,837

PRIOR SALES

The following table summarizes the issuances of Common Shares and securities convertible into Common Shares within the 12-month period prior to the date of this Prospectus Supplement.

Date of Issuance	Description of Transaction	Number and Type of Securities(1)	Price per Security
Q1 2025 (Jan. 1, 2025 – Mar. 25, 2025)	-	-	-
Q4 2024 (Oct. 1, 2024 – Dec. 31, 2024)	Convertible Debenture Interest Settled in Common Shares(2)	2,143,000 Common Shares	CAD$0.10
Q3 2024 (July 1, 2024 – Sept. 30, 2024)	Grant of Options(2)	3,102,500 Options	CAD$0.175
	Convertible Debenture Interest Settled in Common Shares(2)	745,391 Common Shares	CAD$0.23
Q2 2024 (Apr. 1, 2024 – June 30, 2024)	-	-	-
Q1 2024 (Jan. 1, 2024 – March 31, 2024)	Convertible Debenture Interest Settled in Common Shares(2)	779,273 Common Shares	CAD$0.22

Notes:

(1) Please note that this table does not include Common Shares purchased in the market pursuant to the Corporation's employee share purchase plan.
(2) Southern elected to settle the interest payment due on the Debentures using Common Shares.
(3) On July 17, 2024, the Corporation granted an aggregate of 3,102,500 Options to purchase Common Shares as part of Southern's overall compensation and employee retention program.

USE OF PROCEEDS

The net proceeds to the Corporation from the Offering will be approximately $7,590,000, not including the exercise of the Over-Allotment Option and assuming no President's List purchasers, after deducting the Agent's Fee in the amount of approximately $510,000 and the estimated expenses of the Offering of approximately $400,000 (exclusive of GST), which will be paid out of the proceeds of the Offering.

The Corporation intends to use the net proceeds from the Offering and the Private Placement to accelerate the completion of up to three previously drilled and uncompleted wells in the Gwinville field beginning in the second quarter of 2025, and to fund a portion of the drilling of two vertical Cotton Valley wells on its Mechanicsburg acreage. Assuming all wells are completed, the total capital expenditure for the above program is up to approximately US$14.5 million (approximately US$2.5 million per Gwinville well and approximately US$3.5 million per Mechanicsburg well). The net proceeds from the Offering and the Private Placement will be used alongside existing cash, cash flows and undrawn debt facilities to fund the completion of the drilled and uncompleted wells.

There can be no assurance that the Corporation will receive sufficient net proceeds from the Offering to accomplish some or all of the objectives set out above. In the event that the maximum amount under the Offering is not raised, and provided that the Corporation raises at least the Minimum Amount (unless such condition is waived by mutual agreement of the Agent and the Corporation), the Corporation intends to utilize the net proceeds of the Offering towards the drilling of fewer drilled and uncompleted wells, or as needed towards the Corporation's best interests as decided in the sole discretion of management.

The use of the net proceeds of the Offering by the Corporation is consistent with the Corporation's strategy of growing and developing an oil and natural gas exploration and development company through internal operations and acquisitions. Other than the successful completion of the Offering and the Private Placement, there is no particular significant event or milestone that must occur for the Corporation's business objectives to be accomplished. Upon completion of the Offering and the Private Placement, the Corporation will be better positioned to further its business objectives of exploration and development of its oil and gas assets. For additional details regarding the Corporation's corporate strategy, see "*Description of the Business of the Corporation*" in the AIF.

Due to the nature of the oil and natural gas industry, budgets are regularly reviewed in light of the success of expenditures and other opportunities which may become available to the Corporation. Potential investors are cautioned that notwithstanding the Corporation's current intentions regarding the use of the net proceeds of the Offering, there may be circumstances where a reallocation of funds may be advisable for reasons that management believes are in the Corporation's best interests. While the Corporation believes that it has the skills and resources necessary to accomplish its stated business objectives and strategic goals, participation in the acquisition of, exploration for and development of oil and natural gas reserves has a number of inherent risks. See "*Risk Factors*" herein, as well as in the AIF the Annual MD&A and the Interim MD&A.

PLAN OF DISTRIBUTION

Pursuant to the Agency Agreement, the Corporation will engage the Agent to offer for sale to the public on a "best efforts" agency basis, and the Corporation will agree to sell, on the Closing Date, up to 121,428,571 Offered Units at the Offering Price (not including the Additional Units pursuant to the exercise of the Over-Allotment Option), subject to the terms and conditions of the Agency Agreement. The Offering Price has been determined by arms' length negotiations between the Corporation and the Agent. This Prospectus Supplement and the accompanying Prospectus qualifies the distribution of the Unit Shares, Warrants and Warrant Shares.

The Offering is not underwritten or guaranteed by any person. The Offering is made on a best efforts basis by the Agent who conditionally offer the Offered Units, if, as and when issued by the Corporation and accepted by the Agent in accordance with the terms and conditions contained in the Agency Agreement. While the Agent have agreed to use best efforts to sell the Offered Units, the Agent are not obligated to purchase any Offered Units that are not sold. All funds received from the subscription for the Offered Units will be deposited and held by the Agent pursuant to the terms and conditions of the Agency Agreement and will not be released until the Agent have consented to such release. Subscriptions will be subject to rejection or allotment in whole or in part and the Corporation reserves the right to close the subscription books at any time without notice.

The Agent will not release any funds received from subscriptions until the Minimum Amount to be raised has been met and if the Minimum Amount is not raised within the distribution period, all funds received from subscribers will be returned without any interest or deduction. The condition to raise the Minimum Amount may be waived by mutual agreement of the Agent and the Corporation. Such waiver means that the Corporation could complete the Offering after not reaching the Minimum Amount set out above.

The TSX-V has provided conditional approval of the listing of the Unit Shares, the Warrant Shares and the Compensation Warrant Shares. The Corporation has also applied to the TSX-V for conditional approval of listing of the Warrants. Listing is subject to Southern fulfilling all of the requirements of the TSX-V.

In consideration for the services to be performed by the Agent, the Corporation has agreed to pay to the Agent the Agent's Fee equal to 6.0% of the gross proceeds of the Offering (reduced to 2.0% on proceeds raised through the President's List).

As additional consideration for the services rendered in connection with the Offering, the Corporation has agreed to issue Compensation Warrants equal to 6.0% of the number of Offered Units sold pursuant to the Offering (reduced to 2.0% on sales to purchasers on the President's List). Each Compensation Warrant is exercisable for one Compensation Warrant Share at an exercise price of $0.07 for a period of 36 months from the Closing Date, subject to certain customary events.

The certificates representing the Compensation Warrants will provide for standard adjustments in the number of Compensation Warrant Share issuable upon the exercise of such warrants and/or the exercise price per warrant upon the occurrence of certain events, including if the Corporation: (a) subdivides, re-divides or changes its outstanding Common Shares into a greater number of Common Shares; (b) consolidates, reduces or combines its outstanding Common Shares into a smaller number of Common Shares; or (c) fixes a record date for the issue of Common Shares or securities convertible into or exchangeable for Common Shares to the holders of all or substantially all of the outstanding Common Shares by way of a stock dividend (other than the issue of Common Shares or convertible securities to such holders as dividends paid in the ordinary course and other than rights, options or warrants exercisable within a period expiring not more than 45 days after the record date for such issue to acquire Common Shares or securities exchangeable for or convertible into Common Shares at a price per Common Share, or at an exchange or conversion price per Common Share, of at least 95% of the current market price of the Common Shares on such record date).

Holders of Compensation Warrants will not have any voting or any other rights which a holder of Common Shares would have.

The Compensation Warrants and Compensation Warrant Shares have not been and will not be registered under the U.S. Securities Act, and the Compensation Warrants may not be exercised in the United States or by, or for the account or benefit of, any U.S. person (as such term is defined in Regulation S under the U.S. Securities Act) or person in the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act.

The Agent will also be reimbursed for reasonable fees and expenses including reasonable legal fees and disbursements of legal counsel to the Agent. Pursuant to the Agency Agreement, the Corporation has agreed to indemnify the Agent and each of their respective affiliates, agents, directors, officers, partners, principals, shareholders and employees against certain liabilities, including, without limitation, certain civil liabilities under applicable securities legislation. In addition, the Corporation has provided certain representations and warranties to the Agent.

The obligations of the Agent under the Agency Agreement may be terminated at their discretion upon the occurrence of certain stated events, including in the event that: (i) the due diligence investigations performed by the Agent or their representatives reveal any information or fact, which, in the opinion of the Agent, constitutes an adverse change or effect to the business and affairs of the Corporation, or materially adversely affects the price or value of the Offered Units, Common Shares or any other securities of the Corporation; (ii) there is a material change or a change in a material fact or new material fact shall arise or there should be discovered any previously undisclosed material fact required to be disclosed in the Prospectus or any amendment(s) thereto, in each case, that has or would be expected to have, in the opinion of the Agent, a significant adverse change or effect on the business or affairs of the Corporation or on the market price or the value of the Offered Units, the Common Shares or any other securities of the Corporation; (iii)(A) there should develop, occur or come into effect or existence any event, action, state, condition (including without limitation, terrorism or accident) or major financial occurrence of national or international consequence or a new or a change in any law or regulation which, in the sole opinion of the Agent, seriously adversely affects or involves, or may seriously adversely affect or involve, the financial markets or the business, operations or affairs of the Corporation and its subsidiaries (taken as a whole), or the market price or value of the Offered Units, the Common Shares or any other securities of the Corporation; (B) any inquiry, action, suit, proceeding or investigation (whether formal or informal) is commenced, announced or threatened in relation to the Corporation or any of its the officers or directors of the Corporation or any of its principal shareholders where wrong-doing is alleged or any order is made by an federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the TSX-V or securities commissions, which involves a finding of wrong-doing; or (C) any order, action or proceeding which cease trades or otherwise operates to prevent or restrict the trading of the Common Shares or any other securities of the Corporation is made or threatened by a securities regulatory authority; (iv) the Corporation shall be in breach of a material term condition or covenant of the Agency Agreement, or any representation or warranty given by the Corporation in the Agency Agreement becomes or is false in any material respect; or (v) the state of the national financial markets in Canada or elsewhere where it is planned to market the Offered Units is such that, in the opinion of the Agent, the Offered Units cannot be profitably marketed.

From the date of the Agency Agreement until a date that is 90 days from the Closing Date, the Corporation has agreed not to, without the prior written consent of the Agent, issue, agree to issue, or announce an intention to issue, any additional Common Shares or any securities convertible into or exchangeable for Common Shares (except in connection with the exchange, transfer, conversion or exercise rights of existing outstanding securities or existing commitments to issue securities and/or an arm's length acquisition or under the Offering or the Private Placement), such consent not to be unreasonably withheld or delayed. The Corporation has further agreed that it will use its best efforts to cause its officers and directors to enter into an agreement with the Agent pursuant to which each of such individuals will agree not to sell, transfer or pledge, or otherwise dispose of, any securities of the Corporation until the date which is 90 days after the date of the closing of the Offering, in each case without the prior written consent of the Agent, such consent not to be unreasonably withheld or delayed.

The Corporation has granted the Agent the Over-Allotment Option to offer for sale the Additional Units up to an aggregate number equal to the Over-Allotment Percentage at the Offering Price for the purpose of covering over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Agent to acquire: (i) up to an aggregate number of Additional Units equal to the Over-Allotment Percentage at the Offering Price; (ii) up to an aggregate number of the Additional Shares equal to the Over-Allotment Percentage at the Additional Share Price; (iii) up to an aggregate number of the Additional Warrants equal to the Over-Allotment Percentage at the Additional Warrant Price; or (iv) any combination of Additional Units at the Offering Price, Additional Shares at the Additional Share Price and Additional Warrants at the Additional Warrant Price, provided that the aggregate number of Additional Shares that may be issued under such Over-Allotment Option does not exceed the Over-Allotment Percentage and the aggregate number of Additional Warrants that may be issued under such Over-Allotment Option does not exceed the Over-Allotment Percentage. The Over-Allotment Option is exercisable, in whole or in part, at any time up to the Over-Allotment Deadline. The Over-Allotment Option is exercisable by the Agent giving notice to the Corporation prior to the Over-Allotment Deadline, which notice shall specify the number of Additional Units, Additional Shares and/or Additional Warrants to be purchased.

It is expected that Closing will occur on or about March 31, 2025, or such other date as the Corporation and the Agent may agree, but in any event no later than the date that is 90 days after the date of the receipt for the final short form prospectus. The Offered Units shall be taken up by the Agent, if at all, on or before a date not later than 90 days after the date of the receipt for the final short form prospectus.

Pursuant to rules and policy statements of certain securities regulators, the Agent may not, at any time during the period ending on the date the selling process for the Offered Units ends and all stabilization arrangements relating to the Offered Units are terminated, bid for or purchase Common Shares of the Corporation. The foregoing restrictions are subject to certain exceptions including: (a) a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities; (b) a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of the distribution, provided that the bid or purchase was for the purpose of maintaining a fair and orderly market and not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, such securities; or (c) a bid or purchase to cover a short position entered into prior to the commencement of a prescribed restricted period. Consistent with these requirements, and in connection with this distribution, the Agent may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market..

The Offering is being made concurrently in all Provinces of Canada. In addition, the Agent may offer the Offered Units outside of Canada, subject to compliance with local securities law requirements in such a manner as to not require registration of the Offered Units, or filing of a prospectus or registration statement with respect to those Offered Units under the laws in such jurisdictions or qualification as a foreign corporation to file a general consent to service of process in such jurisdiction.

The Offered Units offered hereby have not been and will not be registered under the U.S. Securities Act or any state securities laws, and accordingly may not be offered, sold or delivered within the United States. The Agent will not offer, sell or deliver the Offered Units within the United States.

ELIGIBILITY FOR INVESTMENT

In the opinion of Stikeman Elliott LLP, counsel to the Corporation and DS Lawyers Canada LLP, counsel to the Agent, based on the provisions of the Tax Act in force on the date hereof, the Unit Shares, Warrants and Warrant Shares would be "qualified investments", if issued on the date hereof, at the time of acquisition by a "registered retirement savings plan", "registered retirement income fund", "registered education savings plan", "registered disability savings plan", "tax-free savings account", "first home savings account" (collectively, "**Registered Plans**"), or a "deferred profit sharing plan" (“**DPSP**”), each as defined in the Tax Act, provided that:

(a) in the case of the Unit Shares and Warrant Shares, the Unit Shares or Warrant Shares are listed on a “designated stock exchange” as defined in the Tax Act (which currently includes the TSX-V) or the Corporation is otherwise a “public corporation” (other than a mortgage investment corporation) as defined in the Tax Act; and

(b) in the case of the Warrants, the Warrant Shares are qualified investments as described above in (a) and neither the Corporation, nor any person with whom the Corporation does not deal at arm’s length for the purposes of the Tax Act, is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, the particular Registered Plan or DPSP.

Notwithstanding that the Unit Shares, Warrants or Warrant Shares may be qualified investments for a Registered Plan, the holder or subscriber of, or annuitant under, a Registered Plan (the "**Controlling Individual**") will be subject to a penalty tax in respect of Unit Shares, Warrant Shares or Warrants held in the Registered Plan if such securities are a “prohibited investment” for purposes of the Tax Act for the particular Registered Plan. A Unit Share, Warrant Share or Warrant generally will be a "prohibited investment" for a Registered Plan if the Controlling Individual does not deal at arm's length with the Corporation for the purposes of the Tax Act or the Controlling Individual has a "significant interest" (as defined in the Tax Act) in the Corporation. However, a Unit Share or Warrant Share will not be a prohibited investment for a Registered Plan if such securities are "excluded property" (as defined in the Tax Act) for such Registered Plan. Controlling Individuals should consult their own tax advisors as to whether the Unit Shares, Warrant Shares, or Warrants will be a prohibited investment in their particular circumstances.

RISK FACTORS

An investment in the Offered Units involves a high degree of risk. In addition to the other information included or incorporated by reference in this Prospectus Supplement, the accompanying Prospectus or the documents incorporated by reference herein and therein, you should carefully consider the risks described below before purchasing the Offered Units. If any of the following risks actually occur, the Corporation's business, financial condition, results of operations and prospects could materially suffer. As a result, the trading price of the Common Shares could decline, and you might lose all or part of your investment. The risks set out below are not the only risks Southern faces; risks and uncertainties not currently known to Southern or that Southern currently deems to be immaterial may also materially and adversely affect Southern's business, financial condition, results of operations and prospects. In addition to the risk factors set forth below, additional risk factors relating to Southern's business are discussed in the "Risk Factors" section of the AIF as well as in the Annual MD&A and the Interim MD&A. **Before investing, prospective purchasers of Offered Units should carefully consider the information contained or incorporated by reference in this Prospectus Supplement.**

Significant Transaction and Related Costs

The Corporation expects to incur a number of costs associated with completing the Offering and the Private Placement.

Loss of Investment

An investment in the Offered Units is suitable only for those investors who are willing to risk a loss of some or all of their investment and who can afford to lose some or all of their investment.

Credit Facilities Risk

The amount authorized under the Credit Facility is dependent on the borrowing base determined by the Corporation's lender. The Corporation is required to comply with covenants under the Credit Facility, which from time to time either affect the availability, or price, of additional funding, and in the event that the Corporation does not comply therewith its access to capital could be restricted or repayment could be required. The failure of the Corporation to comply with such covenants, which may be affected by events beyond the Corporation's control, could result in the default under the Credit Facility which could result in the Corporation being required to repay amounts owing thereunder. Even if the Corporation is able to obtain new financing, it may not be on commercially reasonable terms or terms that are acceptable to the Corporation. If the Corporation is unable to repay amounts owing, the lender under the Credit Facility could proceed to foreclose or otherwise realize upon the collateral granted to it to secure the indebtedness. The acceleration of the Corporation's indebtedness under one agreement may permit acceleration of indebtedness under other agreements that contain cross default or cross-acceleration provisions. In addition, the Credit Facility may, from time to time, impose operating and financial restrictions on the Corporation that could include restrictions on, the payment of dividends, repurchase or making of other distributions with respect to the Corporation's securities, incurring of additional indebtedness, provision of guarantees, the assumption of loans, making of capital expenditures, entering into of amalgamations, mergers, take-over bids or disposition of assets, among others.

The Corporation's borrowing base is determined and re-determined by the lender based on the Corporation's reserves, commodity prices, applicable discount rate and other factors as determined by the Corporation's lender. A material decline in commodity prices could reduce the Corporation's borrowing base, therefore reducing the funds available to the Corporation under the Credit Facility which could result in a portion, or all, of the Corporation's bank indebtedness being required to be repaid.

Currency Fluctuations

Foreign currency exchange rate risk is the risk that the fair value or future cash flows of the Corporation will fluctuate as a result of changes in foreign exchange rates. Recent events in the global financial markets have been coupled with increased volatility in the currency markets. A significant portion of the Corporation's petroleum and natural gas sales are conducted in the U.S. and are denominated in U.S. dollars. Commodity prices are influenced by fluctuations in the Canada to United States dollar exchange rate. Prices for oil are determined in global markets and generally denominated in United States dollars. Additionally, the Corporation is exposed to currency risk in connection with its Credit Facility.

Volatility of the Oil and Gas Industry

Recent market events and conditions, including but not limited to the following, have caused significant weakness and volatility in commodity prices: global excess oil and natural gas supply, actions taken by the Organization of the Petroleum Exporting Countries, slowing growth in certain global economies, market volatility, and sovereign debt levels in various countries. These events and conditions, in addition to others not specifically referenced herein, could cause a significant decrease in the valuation of oil and gas companies and a decrease in confidence in the oil and gas industry. Given the current market conditions, the Corporation may have difficulty raising additional funds in the future or if it is able to do so, it may be on unfavourable and highly dilutive terms.

Threat or Imposition of Tariffs

The Corporation’s operations have been, and in the future may be, affected by political developments and by national, federal, provincial, state and local laws and regulations such as restrictions on production, the imposition of tariffs, embargoes or export restrictions on the Corporation’s products (including tariffs introduced by the U.S. government and countermeasures taken by other countries, both of which are anticipated to evolve).

The eventuality, timing and rates of potential U.S. tariffs, the countries on which they are levied and the responses from such countries are difficult to predict at this time, however, any U.S. tariffs are likely to be met with retaliatory tariffs and a multi-country trade war against the U.S. could develop. The Corporation currently exports gas out of the Gulf of Mexico and may be negatively impacted by the anti-trade sentiment arising from the imposition of tariffs.

The economic impact of tariffs or a broader trade war could also negatively impact capital markets, commodity prices and the Corporation’s ability to raise funds to undertake capital expenditures.

The indirect effects of tariffs imposed by the U.S. or by counter tariffs in response are difficult to assess, but the potential for tariffs represents a risk and may adversely affect the Corporation’s business, financial condition and results of operations.

Effect of Commodity Prices on Operational and Financial Results

The Corporation's operational and financial results are dependent on the prices received for oil and natural gas production. Any substantial and extended decline in the price of oil and natural gas could have an adverse effect on, among other things, the Corporation's revenues and financial condition.

Volatility of Market Price of Common Shares

The market price of the Common Shares may be volatile. The volatility may affect the ability of holders to sell the Common Shares at an advantageous price. Market price fluctuations in the Common Shares may be due to the Corporation's operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts' estimates, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Corporation or its competitors, along with a variety of additional factors, including, without limitation, those set forth under "*Cautionary Note Regarding Forward-Looking Statements*". In addition, the market price for securities in the stock markets, including the TSX-V, recently experienced significant price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the market prices of the Common Shares.

Effects of Global Pandemics or Similar Health Threats

An outbreak of infectious disease, a pandemic or a similar public health threat, or a fear of any of the foregoing, could adversely impact the Corporation by causing operating, supply chain and project development delays, disruptions and challenges, labour shortages and challenges and shutdowns (including as a result of government regulation and prevention measures), and increased costs to the Corporation.

Forward-Looking Statements and FOFI May Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking information included in this Prospectus Supplement or the documents incorporated by reference in this Prospectus, including the forward-looking information under "*Recent Developments*". By their nature, forward-looking information and FOFI involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information and/or FOFI or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Some of the FOFI presented in this Prospectus Supplement is based upon the anticipated benefits of the Offering and if such benefits are not realized, this will impact the forward looking FOFI provided herein and such impact may be material. See "*Cautionary Note Regarding Forward-Looking Statements*".

Market for Warrants

There is currently no market through which the Warrants may be sold. There can be no assurance that an active or liquid market for the Warrants will develop following the Offering, or if developed, that such market will be maintained. If an active public market does not develop or is not maintained, purchasers may not be able to resell the Warrants purchased under this Prospectus Supplement. If there is a market through which the Warrants may be sold, the market price of the Warrants may be adversely affected by a variety of factors relating to the Corporation's business, including fluctuations in the Corporation's operating and financial results, the results of any public announcements made by the Corporation and any failure by the Corporation to meet analysts' expectations. In addition, from time to time, the stock market experiences significant price and volume volatility that may affect the market price of the Warrants for reasons unrelated to the Corporation's performance.

Impact of Future Financings

In order to finance future operations, the Corporation may, following the completion of the Offering and the Private Placement, raise additional funds through the issuance of Common Shares or the issuance of debt instruments or securities convertible into Common Shares. Any such issuances may dilute the interests of holders of Common Shares. The Corporation cannot predict the size of future issuances of Common Shares or the issuance of debt instruments or other securities convertible into Common Shares or the effect, if any, that future issuances and sales of the Corporation's securities will have on the market price of the Common Shares.

Additional information on the risks, assumptions and uncertainties are found in this Prospectus Supplement under the heading "*Cautionary Note Regarding Forward-Looking Statements*".

INTERESTS OF EXPERTS

Certain legal matters relating to the Offering will be passed upon by Stikeman Elliott LLP on behalf of the Corporation and DS Lawyers Canada LLP on behalf of the Agent. As at the date hereof, the partners and associates of Stikeman Elliott LLP and DS Lawyers Canada LLP and their designated professionals, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares.

Reserves estimates incorporated by reference into this Prospectus Supplement are based upon reports by Netherland, Sewell & Associates, Inc., the Corporation's independent reserves evaluator. As of the date hereof, none of the "designated professionals" (as defined in Form 51-102F2 under NI 51-102) of the independent reserves evaluator of the Corporation has any registered or beneficial interest, direct or indirect, in any securities or other property of the Corporation.

Deloitte LLP are the auditors of the Corporation. Deloitte LLP is independent of the Corporation within the meaning of the rules of professional conduct of the Chartered Professional Accountants of Alberta.

STATUTORY AND CONTRACTUAL RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may only be exercised within two Business Days after the later of: (a) the date the issuer: (i) filed the prospectus or any amendment on SEDAR+ and a receipt is issued and posted for the document; and (ii) issued and filed a news release on SEDAR+ announcing that the document is accessible through SEDAR+; and (b) the date that the purchase or subscriber has entered into an agreement to purchase the securities or a contract to purchase or a subscription for the securities. This right may be exercised within two Business Days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province.

In an offering of Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is limited, in certain provincial securities legislation, to the price at which the Warrant is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces.

The purchaser should refer to any applicable provisions of the securities legislation of the province in which the purchaser resides for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE ISSUER

Dated: March 26, 2025

This short form prospectus, together with the documents incorporated in this prospectus by reference, as supplemented by the foregoing, constitutes full, true and plan disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada.

SOUTHERN ENERGY CORP.

(signed) "Ian Atkinson"	*(signed) "Calvin Yau"*
Ian Atkinson	**Calvin Yau**
President and Chief Executive Officer	Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF SOUTHERN ENERGY CORP.

(signed) "Bruce Beynon"	*(signed) "R. Steven Smith"*
Bruce Beynon	**R. Steven Smith**
Director	Director

CERTIFICATE OF THE AGENT

Dated: March 26, 2025

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of the provinces of Canada.

RESEARCH CAPITAL CORPORATION

(signed) "Kevin Shaw"

Kevin Shaw
Managing Director, Investment Banking,
Head of Energy Capital Markets

BASE SHELF PROSPECTUS

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. *Unless otherwise specified in the applicable prospectus and/or pricing supplement, the securities to be offered hereunder have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or any state securities laws. Accordingly, these securities may not be offered or sold within the United States of America or to a U.S. Person (as such term is defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws or an exemption from such registration is available. Unless otherwise specified in the applicable prospectus and/or pricing supplement, this short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States of America. See "Plan of Distribution".*

This short form base shelf prospectus has been filed under legislation in each of the provinces of Canada, that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of the Corporation at 2400, 333 – 7th Avenue S.W., Calgary, Alberta, T2P 2Z1 (Telephone: (587) 287-5402) and are also available electronically at www.sedarplus.ca.*

SHORT FORM BASE SHELF PROSPECTUS

New Issue November 28, 2024

SOUTHERN ENERGY CORP.
$150,000,000

Common Shares
Preferred Shares
Warrants
Debt Securities
Subscription Receipts
Units

Southern Energy Corp. (the "**Corporation**") may from time to time offer and issue the following securities: (a) common shares in the capital of the Corporation (the "**Common Shares**"); (b) preferred shares in the capital of the Corporation (the "**Preferred Shares**"); (c) warrants to purchase securities of the Corporation (the "**Warrants**"); (d) bonds, debentures, notes or other evidence of indebtedness of any kind, nature or description of the Corporation (collectively, the "**Debt Securities**"); (e) subscription receipts of the Corporation (the "**Subscription Receipts**"); or (f) units comprising any combination of the foregoing (the "**Units**" and, together with the Common Shares, the Preferred Shares, the Warrants, the Debt Securities, and the Subscription Receipts, the "**Securities**"), up to an aggregate offering price of $150.0 million (or its equivalent in any other currency used to denominate the Securities) during the 25-month period that this short form base shelf prospectus (this "**Prospectus**"), including any amendments hereto, remains effective.

The Securities may be offered for sale separately or in combination with one or more other Securities, in amounts, at prices and on terms to be determined based on market conditions and other factors the Corporation may deem relevant at the time of sale and set forth in an accompanying shelf prospectus supplement (each, a "**Prospectus Supplement**").

This Prospectus may qualify an "at-the-market distribution" (an "ATM Distribution") as defined in National Instrument 44-102 – *Shelf Distributions* ("**NI 44-102**").

The specific terms of any offering of Securities will be set forth in a Prospectus Supplement including, where applicable: (a) in the case of Common Shares, the number of Common Shares offered and the offering price (or the manner of determination thereof if offered on a non-fixed price basis, including sales in transactions that are deemed to be ATM Distributions); (b) in the case of the Preferred Shares, the designation of the particular series, the number of Preferred Shares offered, the offering price, any voting rights, the dividend rate, the dividend payment dates, and terms for redemption at the option of the Corporation or the holder, any exchange or conversion terms and any other specific terms; (c) in the case of Warrants, the exercise price, designation, number and terms of the securities purchasable upon exercise of the Warrants, any procedures that will result in the adjustment of the exercise price or number of securities, dates and periods of exercise, the currency in which the Warrants are issued and any other specific terms; (d) in the case of Debt Securities, the specific designation of the Debt Securities, any limit on the aggregate principal amount or number of the Debt Securities, the currency, the issue and delivery date, the maturity date, the offering price, whether the Debt Securities will bear interest, the interest rate or method of determining the interest rate, the interest payment date(s), any terms of redemption, any conversion or exchange terms, the repayment terms, the form (either global or definitive), the authorized denominations and any other specific terms; (e) in the case of Subscription Receipts, the number of Subscription Receipts offered, the currency (which may be Canadian dollars or any other currency), the offering price, the terms and procedures for the exchange of the Subscription Receipts and any other specific terms; and (f) in the case of Units, the designation, number and terms of the Units and of the Securities comprising the Units and any other specific terms. A Prospectus Supplement may include other specific terms pertaining to the Securities that are not prohibited by the parameters set forth in this Prospectus.

All shelf information permitted under applicable laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers of the applicable Securities together with this Prospectus. A Prospectus Supplement containing the specific terms of any offered Securities and other information relating to the offered Securities will be delivered to prospective purchasers of such offered Securities, together with this Prospectus, and will be deemed to be incorporated by reference into this Prospectus for the purpose of securities legislation as of the date of such Prospectus Supplement and only for the purpose of the offering of such Securities to which the Prospectus Supplement pertains.

The Corporation may sell the Securities to or through underwriters, agents or dealers purchasing as principals, and may also sell the Securities directly to one or more purchasers pursuant to applicable statutory exemptions or through agents. See "*Plan of Distribution*". The Prospectus Supplement relating to a particular offering of Securities will identify each underwriter, dealer or agent, as the case may be, engaged by the Corporation in connection with the offering and sale of the Securities, and will set forth the terms of the offering of such Securities, including the type of security being offered, the public offering price, the method of distribution of such Securities, the proceeds to the Corporation and any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material terms of the plan of distribution. Securities may be sold from time to time in one or more transactions at a fixed price or prices.

Prospective investors should be aware that the purchase of Securities may have tax consequences that may not be fully described in this Prospectus or in any Prospectus Supplement, and should carefully review the tax discussion, if any, in the applicable Prospectus Supplement and in any event consult with an independent tax advisor.

The sale of Securities pursuant to this Prospectus may be effected from time to time in one or more transactions at non-fixed prices pursuant to transactions that are deemed to be ATM Distributions, including sales made directly on the TSX Venture Exchange (the "**TSX-V**") or other existing trading markets for such securities, and as set forth in a Prospectus Supplement for such purpose. See "*Plan of Distribution*". If offered on a non-fixed price basis, the Securities may be offered at market prices prevailing at the time of sale, at prices determined by reference to the prevailing price of a specified Security in a specified market or at prices to be negotiated with purchasers. If offered on a non-fixed price basis, the compensation payable to an underwriter, dealer or agent in connection, if applicable, with any such sale will be decreased by the amount, if any, by which the aggregate price paid for Securities by the purchasers is less than the gross proceeds paid by the underwriter, dealer or agent to the Company. The price at which the Securities will be offered and sold may vary from purchaser to purchaser and during the period of distribution.

Unless otherwise specified in the relevant Prospectus Supplement, in connection with any offering of Securities, other than an ATM Distribution, the underwriters, dealers or agents who participate in the distribution of Securities may over-allot or effect transactions which stabilize or maintain the market price of the Securities at a higher level than that which might exist in the open market. Such transactions may be commenced, interrupted or discontinued at any time. No dealer or agent involved in an ATM Distribution, no affiliate of such a dealer or agent and no person or company acting jointly or in concert with such a dealer or agent may over-allot securities in connection with the distribution or may effect any other transactions that are intended to stabilize or maintain the market price of the applicable securities in connection with an ATM Distribution. A purchaser who acquires Securities forming part of the underwriters', dealers' or agents' over-allocation position acquires those Securities under this Prospectus and the Prospectus Supplement relating to the particular offering of Securities, regardless of whether the over-allocation position is ultimately filled through the exercise of the over-allotment option or secondary market purchases. See "*Plan of Distribution*". In addition, no underwriter or dealer of an ATM Distribution, and no person or company acting jointly or in concert with an underwriter or dealer, may, in connection with the distribution, enter into any transaction that is intended to stabilize or maintain the market price of the securities or securities of the same class as the securities distributed under the ATM Distribution prospectus, including selling an aggregate number or principal amount of securities that would result in the underwriter creating an over-allocation position in the securities.

In connection with any offering of Securities and subject to applicable laws, the underwriters, dealers or agents, as the case may be, may over-allot or effect transactions which stabilize or maintain the market price of the Securities at a level above that which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See "*Plan of Distribution*". **No underwriter, dealer or agent has been involved in the preparation of this Prospectus or performed any review of the contents of this Prospectus.**

The Common Shares are listed on the TSX-V under the trading symbol "SOU" and on AIM, a market operated by London Stock Exchange plc ("**AIM**") under the symbol "SOUC". Any offering of Securities would be a new issue of securities and, in the case of any offering of Preferred Shares, Warrants, Debt Securities, Subscription Receipts, or Units, with no established trading market. **Unless otherwise specified in the applicable Prospectus Supplement, there is no market through which the Preferred Shares, Warrants, Debt Securities, Subscription Receipts, or Units may be sold and purchasers may not be able to resell such securities purchased under this Prospectus and any Prospectus Supplement. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of such Securities, and the extent of the issuer regulation. See "*Risk Factors*".**

Investing in the Securities involves risk. It is important for an investor to consider the particular risk factors that may affect the industry in which it is investing. See, for example, the risk factors set out under "*Risk Factors*" in the 2023 AIF (as defined herein) and in this Prospectus. These sections also describe the Corporation's assessment of those risk factors, as well as the potential consequences to an investor if a risk should occur. The risk factors identified under the heading "*Note Regarding Forward-Looking Statements*" in this Prospectus should also be carefully reviewed and evaluated by prospective investors before purchasing Securities offered hereunder.

The Corporation's head office is located at 2400, 333 – 7th Avenue S.W., Calgary, Alberta, T2P 2Z1, and the registered office of the Corporation is located at 4200 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta, T2P 5C5.

The offering of Securities is subject to approval of certain legal matters on behalf of the Corporation by Stikeman Elliott LLP.

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GLOSSARY

In this Prospectus, unless otherwise indicated, the following terms have the meanings set forth below:

"**1933 Act**" means the United States Securities Act of 1933.

"**2023 AIF**" has the meaning ascribed thereto under "*Documents Incorporated by Reference*".

"**2023 Annual Financial Statements**" has the meaning ascribed thereto under "*Documents Incorporated by Reference*".

"**2023 Annual MD&A**" has the meaning ascribed thereto under "*Documents Incorporated by Reference*".

"ABCA" means the *Business Corporations Act (Alberta)*.

"AIM" has the meaning ascribed thereto on the cover page of this Prospectus.

"**Board**" means the board of directors of the Corporation.

"**CBCA**" means the *Canada Business Corporations Act*.

"**CDS**" means CDS Clearing and Depository Services Inc.

"**Common Shares**" means the common shares in the capital of the Corporation.

"**Corporation**" or "**Southern**" means Southern Energy Corp.

"**Debt Securities**" means notes or other types of unsecured debt securities which may be issuable in series and securities convertible into or exchangeable for Common Shares.

"**Definitive Notes**" has the meaning given to it under the heading "*Description of Securities – Debt Securities – Form of Debt Securities*".

"**Extraordinary Resolutions**" has the meaning given to it under the heading "*Description of Securities – Debt Securities – Modification*".

"**Global Notes**" has the meaning given to it under the heading "*Description of Securities – Debt Securities – Form of Debt Securities*".

"**IFRS**" means the International Financial Reporting Standards.

"**NSAI**" means Netherland, Sewell & Associates, Inc., independent reserves evaluators.

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements*.

"**NI 44-101**" means National Instrument 44-101 – *Short Form Prospectus Distributions.*

"**NI 44-102**" means National Instrument 44-101 – *Shelf Distributions*.

"**NI 51-101**" has the meaning given to it under the heading "*Presentation of Oil and Gas Reserves and Production Information*".

"**Note Trustee**" has the meaning given to it under the heading "*Description of Securities – Debt Securities*".

"**Participants**" has the meaning given to it under the heading "*Description of Securities – Debt Securities – Form of Debt Securities*".

"**Preferred Shares**" means preferred shares in the capital of the Corporation.

"**Prospectus**" means this short form base shelf prospectus, including any amendments hereto.

"**Prospectus Supplement**" has the meaning ascribed thereto on the cover page of this Prospectus.

"**Securities**" means, collectively, the Common Shares, the Preferred Shares, the Warrants, the Debt Securities, the Subscription Receipts, and the Units.

"**Shareholders**" means the holders of the Common Shares from time to time.

"**Subscription Receipts**" means subscription receipts of the Corporation.

"**Trust Indenture**" has the meaning given to it under the heading "*Description of Securities – Debt Securities*".

"TSX-V" means the TSX Venture Exchange.

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

"**Units**" means units comprising any combination of Common Shares, Preferred Shares, Subscription Receipts, Warrants and Debt Securities.

"**Warrants**" means warrants to purchase securities of the Corporation.

ABOUT THIS PROSPECTUS

Prospective investors should rely only on the information contained in or incorporated by reference in this Prospectus or any applicable Prospectus Supplement. The Corporation has not authorized any other person to provide prospective investors with additional or different information. If anyone provides prospective investors with different or inconsistent information, prospective investors should not rely on it. The Corporation will offer to sell, and seek offers to buy, Securities only in jurisdictions where offers and sales are permitted. Prospective investors should assume that the information appearing in this Prospectus, any applicable Prospectus Supplement or any information the Corporation has previously filed with the securities regulatory authority in each of the provinces of Canada, that is incorporated in this Prospectus by reference, is accurate as of their respective dates only. The Corporation's business, financial condition, results of operations and prospects may have changed since those dates. At the time of an offering of Securities, the information contained in this Prospectus will be amended or otherwise updated, as necessary, in the applicable Prospectus Supplement to provide full, true and plain disclosure of all material facts in relation to such offering.

In this Prospectus, and in any Prospectus Supplement, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars. References to "dollars" or "$" are to the lawful currency of Canada. References to "U.S. dollars" or "US$" are to the lawful currency of the United States. References to "pound sterling," "pence," or "£" are to the lawful currency of the United Kingdom.

Unless otherwise indicated, all financial information incorporated by reference in this Prospectus has been prepared in accordance with IFRS.

This Prospectus provides a general description of the Securities that the Corporation may offer. Each time the Corporation offers and sells Securities under this Prospectus, the Corporation will provide prospective investors with a Prospectus Supplement that will contain specific information about the terms of that offering. The Prospectus Supplement may also add to, update or change information contained in this Prospectus. Before investing in any Securities, prospective investors should read both this Prospectus and any applicable Prospectus Supplement together with additional information described below under "*Documents Incorporated by Reference*".

All shelf information permitted under applicable laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers of the applicable Securities together with this Prospectus.

NON-GAAP FINANCIAL MEASURES

Certain information presented in, or incorporated by reference in, this Prospectus contains references to certain financial measures that do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other entities and investors are cautioned that these non-GAAP measures should not be construed as an alternative to net earnings or other measures of financial performance calculated in accordance with IFRS.

These measures, including "adjusted funds flow from operations", "operating netback", "adjusted working capital", "net debt", and "net capital expenditures", have the meanings set out in the Annual MD&A and the Interim MD&A, which are incorporated by reference herein. The specific rationale for and incremental information associated with each non-GAAP measure (including a reconciliation to the most directly comparable measure calculated in accordance with IFRS) is also discussed therein.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus and the documents incorporated by reference herein contain forward-looking statements. When used in this Prospectus and the documents incorporated by reference herein, the words "anticipate", "plan", "contemplate", "continue", "estimate", "expect", "intend", "propose", "might", "may", "shall", "project", "should", "could", "would", "believe", "predict", "forecast", "pursue", "potential" and "capable" and similar expressions are intended to identify forward-looking statements. In particular, this Prospectus and the documents incorporated by reference herein contain forward-looking statements pertaining to, among other things:

(a) the Corporation's objectives, strategies and competitive strengths and weaknesses, and the Corporation's ability to achieve its objectives;

(b) the future outlook of the Corporation, its business plan and strategies, and anticipated operational results of the Corporation;

(c) the performance characteristics of the Corporation's oil and natural gas properties, and the ability of the Corporation to achieve drilling success consistent with management's expectations, including in respect of the Gwinville assets of the Corporation;

(d) expectations regarding the further development and operation of the Corporation's principal assets, including the Corporation's ability to add production, reserves and net present value and the Corporation's plans for exploration, resource testing, development, exploitation and acquisitions;

(e) future commodity prices and other market prices and costs;

(f) nature, timing and development of the Corporation's capital projects, including in respect of final investment decisions and regulatory approvals and the expected financial performance of such projects following completion of the development and the commencement of operations, as applicable;

(g) expectations with respect to the Corporation's financial position and future funds from operations, cash flows, net earnings and other financial results;

(h) expectations regarding contractual obligations and commitments, and benefits therefrom;

(i) future costs, including abandonment and reclamation cost expectations;

(j) access to third-party infrastructure and the expected limitations, costs and benefits thereof;

(k) the use of risk-management techniques, including hedging;

(l) the Corporation's estimates of future interest and foreign exchange rates;

(m) expectations that the Corporation's competitive advantages will yield successful execution of its business strategy and the degree of any such success achieved;

(n) the Corporation's treatment under governmental regulatory regimes and tax laws, including estimated tax pools and the Corporation's tax horizon;

(o) the Corporation's consultation with government and other stakeholders in respect of regulatory developments and other matters;

(p) the Corporation's management team as it evolves, including the continuity of employment of any person;

(q) the compensation arrangements and economic interest of the Corporation's management team in the Corporation's equity and the benefits thereof;

(r) the Corporation's future general and administrative expenses;

(s) industry volatility and supply and demand for oil and natural gas;

(t) the anticipated use of proceeds from the sale of Securities.

These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such statements reflect the Corporation's then current views with respect to future events based on certain material facts and assumptions and are subject to certain risks and uncertainties, including without limitation changes in market, competition, governmental or regulatory developments, interest rate and foreign exchange rate risk and general economic conditions and the other factors described under the heading "*Risk Factors*" in the 2023 AIF and in this Prospectus. The material assumptions in making these forward-looking statements are disclosed in the 2023 AIF, the 2023 Annual MD&A and the Interim MD&A, as may be modified or superseded by documents incorporated or deemed to be incorporated by reference in this Prospectus.

Many factors could cause the Corporation's actual results, performance or achievements to vary from those described in this Prospectus and the documents incorporated by reference herein as well as the assumptions upon which they are based proving incorrect. These factors should not be construed as exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this Prospectus and the documents incorporated by reference herein as intended, planned, anticipated, believed, sought, proposed, estimated or expected, and such forward-looking statements included in this Prospectus and the documents incorporated by reference herein should not be unduly relied upon. These statements speak only as of the date of this Prospectus or as of the date specified in the documents incorporated by reference herein, as the case may be. The Corporation does not intend, and does not assume any obligation, to update these forward-looking statements except as required by law. The forward-looking statements contained in this Prospectus and the documents incorporated by reference herein are expressly qualified by these cautionary statements.

Financial outlook information contained in this Prospectus and the documents incorporated by reference herein about prospective results of operations, financial position or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information available as of the date of this prospectus or as of the date specified in the documents incorporated by reference herein, as the case may be. Readers are cautioned that such financial outlook information contained in this Prospectus and the documents incorporated by reference herein should not be used for purposes other than for which it is disclosed herein or therein, as the case may be.

PRESENTATION OF FINANCIAL INFORMATION

The financial statements of the Corporation incorporated by reference in this Prospectus are reported in United States ("**U.S.**") dollars and have been prepared in accordance with IFRS. The functional currency of the Corporation is Canadian ("**CAD**") dollars, and its financial statements are translated to U.S. dollars in accordance with its foreign currency translation accounting policy. The functional currencies of the Corporation's subsidiaries are U.S. dollars.

PRESENTATION OF OIL AND GAS RESERVES AND PRODUCTION INFORMATION

The reserves information contained in documents incorporated by reference in this Prospectus has been prepared in accordance with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**"). Complete NI 51-101 reserves disclosure is included in the 2023 AIF, which is incorporated by reference into this Prospectus. Estimates of the Corporation's reserves and the net present value of future net revenue attributable to such reserves incorporated by reference are based upon the report prepared by Netherland, Sewell and Associates Inc. ("**NSAI**") dated February 20, 2024, evaluating the reserves attributable to the Corporation's oil and gas properties as at December 31, 2023. The estimates of reserves are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual reserves may be greater than or less than the estimates provided in the 2023 AIF and the differences may be material. Estimates of net present value of future net revenue attributable to the Corporation's reserves do not represent the fair market value of the Corporation's reserves and there is uncertainty that the net present value of future net revenue will be realized. There is no assurance that the forecast price and cost assumptions applied by NSAI in evaluating the Corporation's reserves will be attained and variances could be material. For important additional information regarding the independent reserves evaluations that were conducted by NSAI, please refer to the 2023 AIF incorporated by reference into this Prospectus.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of the Corporation at 2400, 333 – 7th Avenue S.W., Calgary, Alberta, T2P 2Z1, Telephone: (587) 287-5402. These documents are also available through the Internet on the System for Electronic Document Analysis and Retrieval (SEDAR+), which can be accessed at www.sedarplus.ca.

The following documents filed by the Corporation with the various provincial securities commissions or similar authorities in Canada, are specifically incorporated into and form an integral part of this Prospectus, provided that such documents are not incorporated by reference to the extent that their contents are modified or superseded by a statement contained in this Prospectus or in any other subsequently filed document that is also incorporated by reference in this Prospectus (collectively, the "**Documents Incorporated by Reference**"):

(a) the annual information form of the Corporation dated April 26, 2024, for the year ended December 31, 2023 (the "**2023 AIF**");

(b) the report titled "Estimates of Reserves and Future Revenue to the Southern Energy Corp. Interest in Certain Oil and Gas Properties located in Mississippi" as at December 31, 2023, with a preparation date of February 20, 2024, and prepared by NSAI (the "**Reserves Report**"), the contents of which are integrated into the 2023 AIF;

(c) the audited consolidated annual financial statements of the Corporation as at and for the years ended December 31, 2023 and 2022, together with the notes thereto and the independent auditor's report thereon (the "**2023 Annual Financial Statements**");

(d) the management's discussion and analysis of the operational and financial results of the Corporation for the years ended December 31, 2023 and 2022 (the "**2023 Annual MD&A**");

(e) the condensed consolidated interim financial statements of the Corporation for the three and six months ended June 30, 2024 and 2023 (the "**Interim Financials**");

(f) the management's discussion and analysis for the three and six months ended June 30, 2024 and 2023 (the "**Interim MD&A**"); and

(g) the management information circular of the Corporation dated May 6, 2024, with respect to the annual general and special meeting of the shareholders of the Corporation held on June 20, 2024.

Any documents of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* ("**NI 44-101**") to be incorporated by reference in a short form prospectus including any material change reports (excluding material change reports filed on a confidential basis), comparative interim financial statements, comparative annual financial statements and the auditors' report thereon, management's discussion and analysis of financial condition and results of operations, information circulars, annual information forms, marketing materials (as such term is defined in NI 41-101) and business acquisition reports filed by the Corporation with the securities commissions or similar authorities in the provinces of Canada subsequent to the date of this Prospectus and prior to the termination of this offering are deemed to be incorporated by reference in this Prospectus. Any "template version" (as defined in NI 41-101) of any marketing materials filed after the date of a Prospectus Supplement and before the termination of the distribution of the Securities offered pursuant to such Prospectus Supplement (together with this

Prospectus) will be deemed to be incorporated by reference in such Prospectus Supplement for the purposes of the distribution of Securities to which the Prospectus Supplement pertains.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. Any statement so modified or superseded shall not constitute a part of this Prospectus, except as so modified or superseded. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed to constitute a part of this Prospectus, except as so modified or superseded.

Upon an annual information form and corresponding audited annual consolidated financial statements and accompanying management's discussion and analysis being filed by the Corporation with, and where required, accepted by, the applicable securities regulatory authorities during the currency of this Prospectus, the previous annual information form, the previous audited annual consolidated financial statements and accompanying management's discussion and analysis and all unaudited interim consolidated financial statements and accompanying management's discussion and analysis and material change reports filed by the Corporation prior to the commencement of the Corporation's financial year in which the annual information form is filed and all information circulars relating to an annual meeting filed prior to the beginning of the financial year in respect of which the annual information form is filed shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus. In addition, upon a new annual information form being filed by the Corporation with the applicable securities regulatory authorities during the currency of this Prospectus for which the corresponding annual financial statements include at least nine months of the financial results of an acquired business for which a business acquisition report was filed by the Corporation and incorporated by reference into this Prospectus, such business acquisition report shall be deemed no longer to be incorporated by reference into this Prospectus for the purposes of future offers and sales of Securities hereunder.

Upon unaudited interim consolidated financial statements and accompanying management's discussion and analysis being filed by the Corporation with the applicable securities regulatory authorities during the currency of this Prospectus, all unaudited interim consolidated financial statements and accompanying management's discussion and analysis filed prior to the new unaudited interim consolidated financial statements shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus.

Any earnings coverage ratios filed with applicable securities regulatory authorities either as Prospectus Supplements or as exhibits to the Corporation's unaudited interim consolidated financial statements and audited annual consolidated financial statements will be deemed to be incorporated by reference in this Prospectus.

A Prospectus Supplement containing the specific terms of any offered Securities and other information relating to the offered Securities will be delivered to prospective purchasers of such offered Securities, together with this Prospectus, and will be deemed to be incorporated by reference into this Prospectus for the purpose of securities legislation as of the date of such Prospectus Supplement and only for the purpose of the offering of such offered Securities to which the Prospectus Supplement pertains.

THIRD PARTY SOURCES AND INDUSTRY DATA

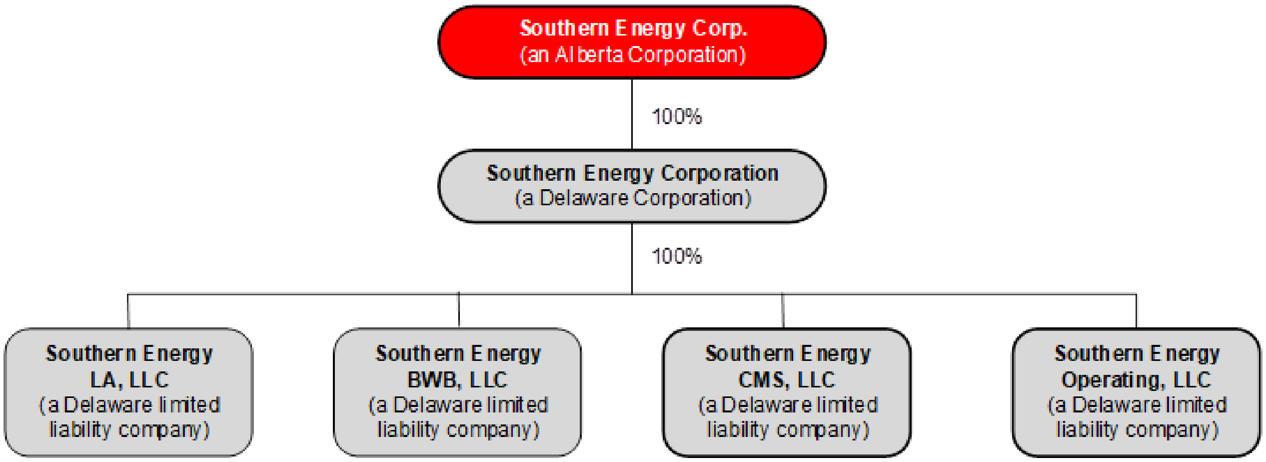
As of the date hereof, this Prospectus does not currently contain information from publicly available third party sources or industry data prepared by management. However, this Prospectus, together with the documents incorporated by reference in this Prospectus (including any Prospectus Supplement containing the specific terms of any offered Securities and other information relating to the offered Securities), may in the future contain information from publicly available third party sources as well as industry data prepared by management on the basis of its knowledge of the industry in which the Corporation operates (including management's estimates and assumptions relating to the industry based on that knowledge). Management's knowledge of the oil and gas industry generally has been developed through its experience and participation in the industry. Management would not include in this Prospectus any industry data unless it believes it to be accurate and its estimates and assumptions are reasonable, but the Corporation will not have independently verified the accuracy or completeness of such data. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but the Corporation will not independently have verified the accuracy or completeness of such included information. Although management would not include in this Prospectus industry data it does not believe to be reliable, the Corporation will not independently have verified any of the data from third-party sources referred to in this Prospectus (including any Prospectus Supplement containing the specific terms of any offered Securities and other information relating to the offered Securities) or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic assumptions relied upon or referred to by such sources.

THE CORPORATION

The Corporation was incorporated as "7015321 Canada Limited" pursuant to the provisions of the CBCA on July 22, 2008. On August 15, 2008, the name of the Corporation was changed to "MAX Minerals Ltd." On October 8, 2010, the name of the Corporation was changed to "Standard Exploration Ltd.". On December 31, 2018, the issued and outstanding Common Shares were consolidated on the basis of one post-consolidated Common Share for every five pre-consolidated Common Shares. The name of the Corporation was then changed from "Standard Exploration Ltd." to "Southern Energy Corp." on January 2, 2019, and on January 7, 2020, the Corporation continued out of the federal jurisdiction of Canada under the CBCA to the provincial jurisdiction of Alberta under the ABCA. In December 2021, the Corporation consolidated its Common Shares on the basis of one post-consolidation Common Share for every eight pre-consolidation Common Shares.

The head office of the Corporation is located at 2400, 333 – 7th Avenue S.W., Calgary, Alberta, T2P 2Z1, and the registered office of the Corporation is located at 4300 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta, T2P 5C5.

The following diagram describes the inter-corporate relationships among the Corporation and its subsidiaries as of the date hereof:



Description of the Business

Southern is an established producer with natural gas and light oil assets in Mississippi and Alabama characterized by a stable, low-decline production base, a significant low-risk drilling inventory and strategic access to the best commodity pricing in North America. For further information on the Corporation and its business activities, see the 2023 AIF which is incorporated by reference herein.

Recent Developments

No material developments in the business of the Corporation have occurred since the date of the Interim Financial Statements which have not been disclosed in this Prospectus or the Documents Incorporated by Reference.

CONSOLIDATED CAPITALIZATION

There have been no material changes in the consolidated capitalization of the Corporation since the date of the Interim Financial Statements which have not been disclosed in this Prospectus or the Documents Incorporated by Reference. The applicable Prospectus Supplement will describe any material changes, and the effect of such material changes, on the share and loan capitalization of the Corporation that will result from the issuance of Securities pursuant to such Prospectus Supplement.

USE OF PROCEEDS

The Securities offered by this Prospectus may be offered from time to time at the discretion of the Corporation in one or more series or issuances with an aggregate offering amount not to exceed $150.0 million. The net proceeds derived from the issue of the Securities, or any one of them, under any Prospectus Supplement will be the aggregate offering amount thereof less any commission and other issuance costs paid in connection therewith. The net proceeds cannot be estimated as the amount thereof will depend on the number and price of the Securities issued under any Prospectus Supplement. The Corporation will set forth information on the use of net proceeds from the sale of Securities offered under this Prospectus in a Prospectus Supplement relating to the specific offering.

Among other potential uses, the Corporation may use the net proceeds from the sale of Securities for general corporate purposes, including funding ongoing operations and/or working capital requirements, to repay indebtedness outstanding from time to time, capital projects and potential future acquisitions. Management of the Corporation will retain broad discretion in allocating the net proceeds of any offering of Securities under this Prospectus and the Corporation's actual use of the net proceeds will vary depending on the availability and suitability of investment and development opportunities and its operating and capital needs from time to time.

The Corporation may, from time to time, issue or qualify for distribution securities (including Securities) other than pursuant to this Prospectus.

EARNINGS COVERAGE RATIOS

Earnings coverage ratios will be provided as required in the applicable Prospectus Supplement with respect to the issuance of Preferred Shares or Debt Securities pursuant to this Prospectus.

DESCRIPTION OF SECURITIES

The following is a summary of the material attributes and characteristics of the Securities that may be issued from time to time under a Prospectus Supplement, as at the date of this Prospectus. The Prospectus Supplement filed in respect of an offering of Securities will describe the material terms of such Securities. For a complete description of the terms of any Securities, prospective investors should also refer to the Corporation's articles, which are available electronically on SEDAR+ at www.sedarplus.ca.

The specific terms of any Securities to be offered under this Prospectus, and the extent to which the general terms described in this Prospectus apply to such Securities, will be set forth in the applicable Prospectus Supplement. The Corporation may issue Securities either separately or together with or upon the conversion of or in exchange for other securities. Moreover, a Prospectus Supplement relating to a particular offering of Securities may include terms pertaining to the Securities being offered thereunder that are not within the terms and parameters described in this Prospectus. The Corporation reserves the right to include in a Prospectus Supplement specific variable terms pertaining to the Securities that are not within the descriptions set forth in this Prospectus.

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares. As of the close of business on November 28, 2024, there were 167,242,824 Common Shares issued and outstanding.

The Common Shares have the following rights, privileges, restrictions and conditions:

- ***Voting Rights:*** Holders of Common Shares are entitled to receive notice of, to attend and to vote at all meetings of Shareholders and are entitled to one vote per Common Share held at such meetings, except meetings of holders of another class or one or more series of another class of shares who are entitled to vote separately as a class at such meeting.

- ***Dividends:*** Holders of Common Shares are entitled to receive any dividend declared by the Corporation on this class of shares; provided that the Corporation shall be entitled to declare dividends on the Preferred shares, or on any of such classes of shares without being obligated to declare any dividends on the Common Shares of the Corporation.

- ***Distributions:*** Subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, to receive the remaining property of the Corporation upon dissolution in equal rank with the holders of all other Common shares of the Corporation.

Common Shares offered hereunder may be "flow-through shares" within the meaning of the *Income Tax Act* (Canada). The particular terms and provisions of any such offering of flow-through shares by any Prospectus Supplement will be described in such Prospectus Supplement.

Further information relating to the Common Shares is set out in the 2023 AIF, which is incorporated by reference herein.

Preferred Shares

The Corporation is authorized to issue an unlimited number of Preferred Shares. As of the close of business on November 28, 2024, there were nil Preferred Shares issued and outstanding. The Preferred Shares are issuable in series.

The Preferred Shares of each series rank in parity with the Preferred Shares of every other series with respect to dividends and return of capital and are entitled to a preference over the Common Shares and any other shares ranking junior to the Preferred Shares with respect to priority in the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation. The Board is empowered to fix the number of shares and the rights to be attached to the Preferred Shares of each series, including the amount of dividends and any conversion, voting and redemption rights. Subject to the articles of the Corporation and to applicable law, the Preferred Shares as a class are not entitled to receive notice of or attend or vote at meetings of the Corporation's shareholders.

Each applicable Prospectus Supplement will set forth the terms and other information with respect to the Preferred Shares being offered thereby, which may include, without limitation, subject to the provisions of the ABCA and the articles of the Corporation, the following (where applicable):

(a) the designation of the series of Preferred Shares offered, and the maximum number of such series of Preferred Shares that the Corporation is authorized to issue;

(b) the aggregate number of Preferred Shares offered;

(c) the price at which the Preferred Shares will be offered;

(d) the currency for which the Preferred Shares may be purchased (if other than Canadian dollars);

(e) the annual dividend rate, if any, and whether the dividend rate is fixed or variable, the date from which dividends will accrue, and the dividend payment dates;

(f) the priority of the Preferred Shares in respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation;

(g) the price and the terms and conditions for redemption, if any, including whether redeemable at the Corporation's option or at the option of the holder, the time period for redemption, and payment of any accumulated dividends;

(h) the terms and conditions, if any, for conversion or exchange for shares of any other class of the Corporation or any other series of Preferred Shares, or any other securities or assets, including the price or the rate of conversion or exchange and the method, if any, of adjustment;

(i) whether such Preferred Shares will be listed on any securities exchange;

(j) the terms and conditions of any share purchase plan or sinking fund;

(k) the voting rights, if any;

(l) any other rights, privileges, restrictions, or conditions;

(m) certain material Canadian tax consequences of owning the Preferred Shares; and

(n) any other material terms and conditions of the Preferred Shares.

Warrants

The following description of the terms of Warrants sets forth certain general terms and provisions of Warrants in respect of which a Prospectus Supplement may be filed. The particular terms and provisions of Warrants offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in the Prospectus Supplement filed in respect of such Warrants.

Warrants may be offered separately or in combination with one or more other Securities and may be attached to, or separate from, any such other offered Securities. Each series of Warrants will be issued under a separate Warrant agreement or indenture to be entered into between the Corporation and one or more financial institutions or trust companies acting as Warrant agent. A copy of the Warrant agreement or indenture will be filed by the Corporation with the applicable securities commission or similar regulatory authorities after it has been entered into by the Corporation and will be available electronically at www.sedarplus.ca. The applicable Prospectus Supplement will include details of the Warrant agreement or indenture covering the Warrants being offered. The Warrant agent will act solely as the agent of the Corporation and will not assume a relationship of agency with any holders of Warrant certificates or beneficial owners of Warrants. Holders of Warrants are not Shareholders.

The description of general terms and provisions of Warrants described in any Prospectus Supplement will include, where applicable:

(a) the designation and aggregate number of Warrants;

(b) the price at which the Warrants will be offered;

(c) the currency or currencies in which the Warrants will be offered;

(d) the period or periods during which the Warrants will be exercisable;

(e) the number and type of securities that may be purchased upon exercise of each Warrant and the price at which and currency or currencies in which that amount of securities may be purchased upon exercise of each Warrant;

(f) any procedures that will result in the adjustment of the number of securities or the exercise price;

(g) the designation and terms of any securities with which the Warrants will be offered, if any, and the number of the Warrants that will be offered with each security;

(h) the date or dates, if any, on or after which the Warrants and the related securities will be transferable separately;

(i) whether the Warrants are subject to redemption or call and, if so, the terms of such redemption or call provisions; and

(j) any other material terms or conditions of the Warrants.

The Corporation reserves the right to set forth in a Prospectus Supplement specific terms of the Warrants that are not within the options and parameters set forth in this Prospectus. In addition, to the extent that any particular terms of the Warrants described in a Prospectus Supplement differ from any of the terms described in this Prospectus, the description of such terms set forth in this Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such Prospectus Supplement with respect to such Warrants.

Debt Securities

The following description of the terms of Debt Securities sets forth certain general terms and provisions of the Debt Securities. The particular terms and provisions of Debt Securities offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in the Prospectus Supplement filed in respect of such Debt Securities.

The Corporation reserves the right to include in a Prospectus Supplement specific terms pertaining to Debt Securities that are not within the descriptions set forth in this Prospectus, provided that the Debt Securities will not be specified derivatives or asset-backed securities. Prospective investors should rely on information in the applicable Prospectus Supplement and should read this Prospectus together with the applicable Trust Indenture (as defined below).

The Debt Securities will be issued under one or more indentures or supplements thereto (as applicable, the "**Trust Indenture**") between the Corporation and a trustee (a "**Note Trustee**"). The statements made hereunder relating to the Trust Indenture and the Debt Securities to be issued thereunder are summaries of certain anticipated provisions thereof, the full details of which will be included in the applicable Trust Indenture, which will be available electronically at www.sedarplus.ca. All material attributes and characteristics of the Debt Securities and the security, if any, in respect of the Debt Securities are either described hereunder or will be described in the applicable Prospectus Supplement.

General

The aggregate principal amount of Debt Securities to be authorized under the Trust Indenture may be unlimited and Debt Securities may be issued from time to time in one or more series thereunder. Certain terms of each issue of Debt Securities, as well as any modifications of or additions to the general terms of the Debt Securities as described herein that may be applicable to a particular issue of Debt Securities, will be described in the Prospectus Supplement relating to the offering of such Debt Securities.

Reference is made to the applicable Prospectus Supplement for the following applicable terms of, and information relating to, the Debt Securities being offered thereby:

(a) the specific designation, aggregate principal amount, authorized denominations and maturity dates of the Debt Securities;

(b) the rate or rates of interest, which may be a fixed rate or floating rate, and the amounts payable in respect of principal and premium, if any, on the Debt Securities;

(c) covenants relating to the payment of principal and interest on the Debt Securities and other covenants applicable to such Debt Securities to which the Corporation will be bound;

(d) the date or dates from which interest shall accrue, the dates on which interest shall be payable and the record dates for the interest payable on any interest payment date;

(e) the place or places where the principal of and premium, if any, and interest on the Debt Securities will be payable;

(f) the period or periods within which, the price or prices at which, and the terms and conditions upon which, the Debt Securities may be redeemed, in whole or in part, at the option of the Corporation;

(g) the obligation, if any, of the Corporation to redeem, purchase or repay the Debt Securities pursuant to any mandatory redemption, sinking fund or analogous provisions or at the option of a holder thereof; and the period or periods within which, the price or prices at which, and the terms and conditions upon which, the Debt Securities shall be redeemed or purchased, in whole or in part, pursuant to such obligation or option;

(h) provisions relating to the conversion of the Debt Securities for Common Shares or other securities of the Corporation or its subsidiaries;

(i) the currency or currencies (which may be in Canadian dollars or in any other currency) in which the Debt Securities will be denominated and in which the principal of and premium, if any, and interest on such Debt Securities will be payable;

(j) the application, if any, of any defeasance provisions to the Debt Securities;

(k) whether the Debt Securities may be exchanged or converted into securities of the Corporation or another issuer; and

(l) any other material terms of the series of Debt Securities.

The Debt Securities may be issued as original issue discount Debt Securities (bearing no interest, or interest at a rate that at the time of issuance is below market rates) at prices below their stated principal amount.

Ranking

Unless otherwise provided in the applicable Prospectus Supplement, the Debt Securities of each series will rank equally and *pari passu*, including with respect to security interests (if any), with each other (regardless of their actual dates or terms of issue, but only to the extent such other Debt Securities are secured) and, unless the Debt Securities are secured or subordinated and subject to statutory preferred exceptions, with all other present and future unsecured and unsubordinated indebtedness of the Corporation. Unless otherwise provided in the applicable Prospectus Supplement, a series of Debt Securities may be reopened for the issuance of additional Debt Securities of such series.

Form of Debt Securities

Unless otherwise specified in the applicable Prospectus Supplement, the Debt Securities will be issued only in the form of fully registered global notes (the "**Global Notes**") to be held by, or on behalf of, CDS, as depositary for its Participants (as defined below), and will be registered in the name of CDS or its nominee. Debt Securities represented by Global Notes will not be issued in definitive form unless: (a) the Corporation, in its sole discretion, elects to prepare and deliver definitive notes (the "**Definitive Notes**"); (b) CDS notifies the Corporation that it is unwilling or unable to continue to be depositary in connection with a Global Note; (c) CDS ceases to be eligible to be a depositary and the Corporation is unable to find a qualified successor; or (d) holders of not less than 25% of the Debt Securities, following the occurrence of an event of default which is continuing under the Trust Indenture, request Debt Securities to be issued as Definitive Notes.

Beneficial interests in the Global Notes, constituting ownership of the Debt Securities, will be represented through book-entry accounts of institutions acting on behalf of owners of Debt Securities, as direct and indirect participants (the "**Participants**") of CDS. Each purchaser of a Debt Security represented by a Global Note will receive a customer confirmation of purchase from the dealer from which the Debt Security is purchased in accordance with the practices and procedures of such dealer. Such practices may vary between dealers, but generally customer confirmations are issued promptly following execution of a customer order. CDS will be responsible for establishing and maintaining book-entry accounts for its Participants having interests in Global Notes.

Unless otherwise specified in the applicable Prospectus Supplement, Debt Securities will be issued in denominations of $5,000 and multiples of $1,000 above such amount.

Transfer of Debt Securities

Transfer of ownership of Debt Securities represented by Global Notes will be effected through records maintained by CDS or its nominee for such Global Notes (with respect to interests of Participants) and through the records of Participants (with respect to interests of persons other than Participants). Unless Debt Securities are issued as Definitive Notes, owners of Debt Securities who are not Participants in CDS' book-entry system, but who desire to purchase, sell or otherwise transfer ownership of Debt Securities, may do so only through Participants in CDS' book-entry system.

The ability of an owner of a Debt Security represented by a Global Note to pledge or otherwise take action with respect to such owner's Debt Security (other than through a Participant) may be limited by the unavailability of a certificate registered in such owner's name.

Payment of Principal, Premium and Interest

Payments of interest, if any, and principal of and premium, if any, on each Global Note will be made to CDS or its nominee, as the case may be, as registered holder of the Global Note. So long as CDS or its nominee is the registered holder of a Global Note, CDS or its nominee, as the case may be, will be considered to be the sole owner of the Global Note for the purpose of receiving payments of interest, if any, and principal of and premium, if any, on such Global Note and for all other purposes under such Global Note. The record date for the payment of interest will be the 10th business day prior to the applicable interest payment date.

The Corporation understands that CDS or its nominee, upon receipt of any payment of interest, if any, or principal and premium, if any, in respect of a Global Note, will credit Participants' accounts, on the date interest, if any, or principal and premium, if any, is paid, with payments in amounts proportionate to their respective interests in the principal amount of such Global Note as shown on the records of CDS or its nominee. The Corporation also understands that payments of interest, if any, or principal and premium, if any, by Participants to the owners of beneficial interests in such Global Note held through such Participants will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants. The responsibility and liability of the Corporation in respect of payments on Global Notes are limited solely and exclusively, while the Debt Securities are represented by a Global Note, to making payment of interest, if any, and principal and premium, if any, due on such Global Note to CDS or its nominee. The Corporation will not have any responsibility or liability for any aspect of the records relating to beneficial interests in the Global Note or for maintaining, supervising or reviewing any records relating to such beneficial interests.

If the due date for payment of interest, if any, or principal of or premium, if any, on any Debt Security is not, at the place of payment, a business day, such payment will be made on the next business day and the holder of such Debt Security will not be entitled to any further interest or other payment in respect of such delay.

Modification

The Trust Indenture will provide that supplemental indentures containing modifications and alterations thereto may be made by the Note Trustee and the Corporation in the circumstances described in the applicable Prospectus Supplement.

The Trust Indenture will also provide that the holders of Debt Securities or holders of Debt Securities of a particular series shall have the power to modify the rights of the holders of Debt Securities or holders of Debt Securities of a particular series, as applicable, under the Trust Indenture. For that purpose, among others, the Trust Indenture will contain provisions to render binding on holders of Debt Securities, or holders of Debt Securities of a particular series, resolutions passed by the affirmative votes of the holders of not less than 66⅔% of the aggregate principal amount of Debt Securities or of Debt Securities of a particular series who are present in person or represented by proxy at the meeting or serial meeting, as the case may be, or instruments in writing signed by holders of not less than 66⅔% of the principal amount of outstanding Debt Securities or Debt Securities of a particular series entitled to vote thereon ("**Extraordinary Resolutions**"). The quorum for meetings of holders of Debt Securities or serial meetings for holders of Debt Securities of a particular series at which such an Extraordinary Resolution will be considered shall be holders representing not less than 50% of the principal amount of outstanding Debt Securities or Debt Securities of a particular series then entitled to vote thereon. In certain circumstances, if holders representing not less than 50% of the principal amount of Debt Securities or Debt Securities of a particular series are not represented at the meeting or serial meeting, then the meeting or serial meeting shall stand adjourned and if properly reconvened in accordance with the terms of the Trust Indenture then those holders represented at the reconvened meeting or serial meeting shall constitute a proper quorum to consider, vote on and pass an Extraordinary Resolution.

Subscription Receipts

The following description of the terms of Subscription Receipts sets forth certain general terms and provisions of Subscription Receipts in respect of which a Prospectus Supplement may be filed. The particular terms and provisions of Subscription Receipts offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in the Prospectus Supplement filed in respect of such Subscription Receipts.

Subscription Receipts may be offered separately or in combination with one or more other Securities. The Subscription Receipts will be issued under a subscription receipt agreement. A copy of the subscription receipt agreement will be filed by the Corporation with the applicable securities commission or similar regulatory authorities after it has been entered into by the Corporation and will be available electronically at www.sedarplus.ca.

The description of general terms and provisions of Subscription Receipts described in any Prospectus Supplement will include, where applicable:

(a) the number of Subscription Receipts offered;

(b) the price at which the Subscription Receipts will be offered;

(c) if other than Canadian dollars, the currency or currency unit in which the Subscription Receipts are denominated;

(d) the procedures for the exchange of the Subscription Receipts into Common Shares or other securities;

(e) the number of Common Shares or other securities that may be obtained upon exercise of each Subscription Receipt;

(f) the designation and terms of any other Securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each Security;

(g) the terms applicable to the gross proceeds from the sale of the Subscription Receipts plus any interest earned thereon;

(h) the material tax consequences of owning the Subscription Receipts; and

(i) any other material terms, conditions and rights (or limitations on such rights) of the Subscription Receipts.

The Corporation reserves the right to set forth in a Prospectus Supplement specific terms of the Subscription Receipts that are not within the options and parameters set forth in this Prospectus. In addition, to the extent that any particular terms of the Subscription Receipts described in a Prospectus Supplement differ from any of the terms described in this Prospectus, the description of such terms set forth in this Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such Prospectus Supplement with respect to such Subscription Receipts.

Units

The following description of the terms of Units sets forth certain general terms and provisions of Units in respect of which a Prospectus Supplement may be filed. The particular terms and provisions of Units offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in the Prospectus Supplement filed in respect of such Units, provided that the Units will not be specified derivatives or asset-backed securities.

The Corporation may issue Units comprised of one or more of the Securities described in this Prospectus in any combination. Each Unit will be issued so that the holder of the Unit is also the holder of each Security included in the Unit. As a result, the holder of a Unit will have the rights and obligations of a holder of each included Security. The unit agreement, if any, under which a Unit is issued may provide that the Securities comprising the Unit may not be held or transferred separately, at any time or at any time before a specified date.

The description of general terms and provisions of Units described in any Prospectus Supplement will include, where applicable:

(a) the number of Units;

(b) the price at which the Units will be offered;

(c) if other than Canadian dollars, the currency or currencies in which the Units will be offered;

(d) the terms of the Units and of the Securities comprising the Units, including whether and under what circumstances those securities may be held or transferred separately;

(e) any provisions for the issuance, payment, settlement, transfer, adjustment or exchange of the Units or of the Securities comprising the Units; and

(f) any other material terms of the Units.

The Corporation reserves the right to set forth in a Prospectus Supplement specific terms of the Units that are not within the options and parameters set forth in this Prospectus. In addition, to the extent that any particular terms of the Units described in a Prospectus Supplement differ from any of the terms described in this Prospectus, the description of such terms set forth in this Prospectus shall be deemed to have been superseded by the description of such differing terms set forth in such Prospectus Supplement with respect to such Units.

PRIOR SALES

Information regarding prior sales of Securities will be provided as required in a Prospectus Supplement with respect to the issuance of Securities pursuant to such Prospectus Supplement.

MARKET FOR SECURITIES

Information concerning trading prices and volume will be provided as required for all of the Corporation's issued and outstanding Securities that are listed on any securities exchange, as applicable, in each Prospectus Supplement.

PLAN OF DISTRIBUTION

The Corporation may offer and issue the Securities to or through underwriters, agents or dealers purchasing as principals, and also may sell the Securities directly to one or more purchasers pursuant to applicable statutory exemptions or through agents. The distribution of the Securities may be effected from time to time in one or more transactions at a fixed price or prices. The prices at which Securities may be offered may vary as between purchasers and during the period of distribution of the Securities. The sale of Securities may be effected from time to time in one or more transactions at non-fixed prices pursuant to transactions that are deemed to be ATM Distributions, including sales made directly on the TSX-V or other existing trading markets for such securities, and as set forth in the Prospectus Supplement for such purpose.

The Prospectus Supplement relating to a particular offering of Securities will identify each underwriter, dealer or agent, as the case may be, engaged by the Corporation in connection with the offering and sale of the Securities, and will set forth the terms of the offering of such Securities, including the type of security being offered (or the manner of determination thereof if offered on a non-fixed price basis, including sales in transactions that are deemed to be ATM Distributions), the public offering price, the method of distribution of such Securities, the proceeds to the Corporation and any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material terms of the plan of distribution.

If underwriters are used in the sale, the Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale, at market prices prevailing at the time of sale or at prices related to such prevailing market prices. The obligations of the underwriters to purchase such Securities will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all of the Securities offered by the Prospectus Supplement if any such securities are purchased.

In connection with any offering of Securities (other than an ATM Distribution) and subject to applicable laws, the underwriters or dealers, as the case may be, may over-allot or effect transactions which stabilize or maintain the market price of the Securities at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

No underwriter or dealer involved in an ATM Distribution, no affiliate of such an underwriter or dealer and no person or company acting jointly or in concert with such an underwriter or dealer may over-allot Securities in connection with the distribution or may effect any other transactions that are intended to stabilize or maintain the market price of the applicable securities in connection with an ATM Distribution. Any underwriter or dealer to or through whom securities are sold by the Corporation for public offering and sale may make a market in the securities at any time without notice. No assurance can be given that a trading market in the securities will develop or as to the liquidity of any trading market of the securities. The sale of securities under an ATM Distribution, if any, will be made pursuant to an accompanying Prospectus Supplement and the volume and timing of any such ATM Distributions will be determined at the Corporation's sole discretion.

Any offering of Securities would be a new issue of securities and, in the case of any offering of Preferred Shares, Warrants, Debt Securities, Subscription Receipts, or Units, with no established trading market. **Unless otherwise specified in the applicable Prospectus Supplement, there is no market through which the Preferred Shares, Warrants, Debt Securities, Subscription Receipts or Units may be sold and purchasers may not be able to resell such securities purchased under this Prospectus and any Prospectus Supplement. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities, and the extent of issuer regulation. See "*Risk Factors*" in the 2023 AIF and in this Prospectus.**

Unless otherwise specified in the applicable prospectus and/or pricing supplement, the Securities have not been and will not be registered under the 1933 Act or any state securities laws, and accordingly may not be offered or sold within the United States of America or to U.S. Persons (as such term is defined in Regulation S under the 1933 Act) except in transactions exempt from the registration requirements of the 1933 Act and applicable state securities laws.

RISK FACTORS

An investment in the Securities is subject to various risks, including those risks set forth herein and in the Documents Incorporated by Reference (in particular, the 2023 AIF). Before deciding whether to invest in any Securities, prospective investors should consider carefully the risks incorporated by reference (in particular, the 2023 AIF) in this Prospectus and those described in the Prospectus Supplement relating to a specific offering of Securities and the information incorporated by reference therein.

Forward-Looking Information May Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Additional information on the risks, assumptions and uncertainties are found in this Prospectus under the heading "*Note Regarding Forward-Looking Statements*".

Market for Securities

The Common Shares are currently listed on the TSX-V; however, there is no market through which the other Securities may be sold and purchasers may not be able to resell such securities purchased under this Prospectus and any Prospectus Supplement. There can be no assurance that an active trading market will develop for the Preferred Shares, Warrants, Units, Debt Securities or Subscription Receipts after an offering or, if developed, that such market will be sustained. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities, and the extent of issuer regulation.

The public offering prices of the Securities may be determined by negotiation between the Corporation and the underwriters, agents or dealers based on several factors and may bear no relationship to the prices at which the Securities will trade in the public market subsequent to such offering. See "*Plan of Distribution*".

Foreign Currencies Risk

Debt Securities denominated or payable in foreign currencies may entail significant risk. These risks include, without limitation, the possibility of significant fluctuations in the foreign currency markets, the imposition or modification of foreign exchange controls and potential liquidity in the secondary market. Preferred Shares entitled to cash dividends payable in foreign currencies will be affected by changes in the value of the currency in which payment will be made, including on a relative basis compared to the Corporation's Canadian dollar denominated obligations, including dividend rights. These risks will vary depending upon the currency or currencies involved and will be more fully described in the applicable Prospectus Supplement.

Interest Rate Risk

Prevailing interest rates may affect the market price or value of the Securities. The market price or value of the Securities may decline as prevailing interest rates for comparable debt instruments rise, and increase as prevailing interest rates for comparable debt instruments decline.

Impact of Future Financings

In order to finance future operations, the Corporation may raise funds through the issuance of Securities or the issuance of other securities of the Corporation. The Corporation cannot predict the size of future issuances of Securities or the issuance of other securities of the Corporation or the effect, if any, that future issuances and sales of the Corporation's securities will have on the market price of the Common Shares (or other Securities, as applicable).

LEGAL MATTERS

Unless otherwise specified in a Prospectus Supplement relating to an offering of Securities, certain legal matters relating to the issue and sale of the Securities will be passed upon, on behalf of the Corporation, by Stikeman Elliott LLP. In addition, certain legal matters in connection with any offering of Securities will be passed upon for any underwriters, dealers or agents by counsel to be designated at the time of the offering by such underwriters, dealers or agents, as the case may be.

As at the date of this Prospectus, the partners and associates of Stikeman Elliott LLP, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding securities of any class or series of the Corporation.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Deloitte LLP, Chartered Professional Accountants, Suite 700 850-2nd Street SW, Calgary, Alberta, T2P 0R8 are the independent auditors of the Corporation. The transfer agent and registrar for the Common Shares is Odyssey Trust Company of Canada at its principal office located in Calgary, Alberta.

INTERESTS OF EXPERTS

The following persons, firms and companies are named as having prepared or certified a statement, report, valuation or opinion described or included in this Prospectus or in a document incorporated by reference herein and whose profession or business gives authority to the statement, report, valuation or opinion, in each case with respect to the Corporation:

(a) Deloitte LLP; and

(b) NSAI.

To the knowledge of the Corporation, as of the date of this Prospectus, NSAI owns beneficially, directly or indirectly, none of the outstanding securities of each class of securities of the Corporation or any associate or affiliate thereof.

Deloitte LLP is independent of the Corporation within the meaning of the rules of professional conduct of the Chartered Professional Accountants of Alberta.

EXEMPTIONS UNDER SECURITIES LAWS

Pursuant to a decision of the Autorité des marches financiers dated November 26, 2024, the Corporation was granted a permanent exemption from the requirement to translate into French this prospectus as well as the documents incorporated by reference therein and any prospectus supplement to be filed in relation to an ATM Distribution of Securities. This exemption is granted on the condition that this prospectus and any prospectus supplement (other than in relation to an ATM Distribution) be translated into French if the Corporation offers Securities to Québec purchasers in connection with an offering other than in relation to an ATM Distribution.

PURCHASERS' STATUTORY AND CONTRACTUAL RIGHTS

Unless provided otherwise in a Prospectus Supplement, the following is a description of a purchaser's statutory rights with respect to a purchase of Securities.

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities and with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser are not sent or delivered to the purchaser. However, purchasers of Securities distributed under an ATM Distribution by the Corporation do not have the right to withdraw from an agreement to purchase such Securities and do not have remedies of rescission or, in some jurisdictions, revisions of the price, or damages for non-delivery of the prospectus, prospectus supplement, and any amendment relating to Securities purchased by such purchaser because the prospectus, prospectus supplement, and any amendment relating to the Securities purchased by such purchaser will not be sent or delivered, as permitted under Part 9 of NI 44-102.

Securities legislation in some provinces of Canada further provides purchasers with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser contains a misrepresentation. Those remedies must be exercised by the purchaser within the time limit prescribed by securities legislation. Any remedies under securities legislation that a purchaser of Securities distributed under an ATM Distribution by Southern may have against the Corporation or its agents for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser contain a misrepresentation will remain unaffected by the non-delivery of the prospectus referred to above.

The aforementioned right to rescission may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

Original purchasers of Securities that are convertible into, or exchangeable or exercisable for, other Securities will be granted a contractual right of rescission against the Corporation in respect of the conversion, exchange or exercise of such Securities. The contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise of the Security or the amount paid for the convertible, exchangeable or exercisable Security, as the case may be, upon surrender of the underlying securities gained thereby, in the event that this Prospectus (as supplemented or amended) contains a misrepresentation, provided that both the conversion, exchange or exercise occurs, and the right of rescission is exercised, within 180 days of the date of the purchase of the convertible, exchangeable or exercisable Security under this Prospectus (as supplemented or amended). This contractual right of rescission will be consistent with the statutory right of rescission described under Section 203 of the *Securities Act* (Alberta), and is in addition to any other right or remedy available to original purchasers under Section 203 of the *Securities Act* (Alberta) or otherwise at law.

Original purchasers are further cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus is limited, in certain provincial securities legislation, to the price at which the convertible, exchangeable or exercisable Security is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the Security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal advisor.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS

Certain of the Corporation's directors and officers, namely John Joseph Nally, reside outside of Canada. Each of these persons has appointed Stikeman Elliott LLP, 4200 Bankers Hall West, 888 - 3rd Street S.W., Calgary, Alberta, T2P 5C5, as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.

CERTIFICATE OF THE ISSUER

Dated: November 28, 2024

This short form base shelf prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of a particular distribution of securities under the prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement as required by the securities legislation of each of the provinces of Canada.

SOUTHERN ENERGY CORP.

(conformed) "Ian Atkinson"	*(conformed) "Calvin Yau"*
Ian Atkinson	**Calvin Yau**
President and Chief Executive Officer	Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF SOUTHERN ENERGY CORP.

(conformed) "Tamara MacDonald"	*(conformed) "Bruce Beynon"*
Tamara MacDonald	**Bruce Beynon**
Director	Director