

FORM 10

NOTICE OF PROPOSED SIGNIFICANT TRANSACTION (not involving an issuance or potential issuance of a listed security)¹

Name of Listed Issuer: Hertz Energy Inc. (the "Issuer").

Trading Symbol: HZ

Issued and Outstanding Securities of the Issuer Prior to Transaction: 66,046,715

Date of News Release Fully Disclosing the Transaction: February 13, 2023

1. Transaction

1. Provide details of the transaction including the date, description and location of assets, if applicable, parties to and type of agreement (eg: sale, option, license, contract for Investor Relations Activities etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material:

On February 2, 2024, the Company entered into the Purchase Agreement with Bullrun, pursuant to which the Company has agreed to acquire the Cominco Property.

Pursuant to the terms and conditions of the Purchase Agreement and as consideration for the acquisition of a 100% undivided interest in the Cominco Property, the Company has agreed to:

- pay Bullrun cash consideration of \$75,000 (the "Cash Consideration"); and
- grant Bullrun a 2% net smelter returns royalty on the Cominco Property (the "Royalty"). Bullrun is wholly-owned by Kal Malhi, who is also a director and officer of the Company. Accordingly, the Company's acquisition of the Cominco Property pursuant to the Purchase Agreement constitutes a "related party transaction" as defined in Multilateral Instrument 61-101 - *Protection of Minority Securityholders in Special Transactions* ("MI 61-101"). The Company is relying on the exemption from valuation requirement and minority approval pursuant to subsection 5.5(a) and 5.7(1)(a) of MI 61-101, respectively, for its acquisition of the Cominco Property, as the value of the consideration to be paid by the Company for the acquisition of the Cominco Property does not represent more than 25% of the Company's market capitalization, as determined in accordance with MI 61-101.

¹ If the transaction involved the issuance of securities, other than debt securities that are not convertible into listed securities, use Form 9.

Provide the following information in relation to the total consideration for the transaction (including details of all cash, non-convertible debt securities or other consideration) and any required work commitments:

- (a) Total aggregate consideration in Canadian dollars:
\$75,000CAD.
 - (b) Cash: \$75,000CAD .
 - (c) Other: \$2% net smelter returns royalty .
 - (d) Work commitments: _____ .
2. State how the purchase or sale price and the terms of any agreement were determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc).
- The consideration was determined between the related parties. Reimbursement to BullRun will be via invoices that will be provided by BullRun from Aurora Geoscience for desk top studies, Nunavut Mining Recorder for claim staking and some Geological Reports and Maps pertaining to DD to identify and qualify the targets acquired as being of geological merit.
3. Provide details of any appraisal or valuation of the subject of the transaction known to management of the Issuer: N/A .
4. If the transaction is an acquisition, details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: N/A.
5. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the transaction (including warrants, options, etc.): N/A
- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the transaction (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): _____ .
 - (b) Cash _____ .
 - (c) Other _____ .

any other relationship with the Issuer and provide details of the relationship.
N/A

6. If applicable, indicate whether the transaction is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. N/A.

2. Development

Provide details of the development. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: N/A

3. Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. To the knowledge of the Issuer, at the time an agreement in principle was reached, no party to the transaction had knowledge of any undisclosed material information relating to the Issuer, other than in relation to the transaction.
3. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
4. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

5. All of the information in this Form 10 Notice of Proposed Significant Transaction is true.

Dated: February 14, 2024

Kulwant Malhi

Name of Director or Senior
Officer

"Kulwant Malhi"

Signature

CEO

Official Capacity