Tuktu RESOURCES LTD.

A New, Recapitalized Company With a Focus on the Western Canadian Foothills

TSXV: TUK

June, 2023

Experienced Management Team

- **Industry leading technical and operational team with direct experience owning and developing profitable Foothills assets.**
- Team has successfully executed a Foothills junior growth model twice previously at Manitok Energy Corp. (“Manitok”) and Ikkuma Resources Corp. (“Ikkuma”).
- Team is ideally positioned to operate Foothills assets as a focus area and drive long-term shareholder value.

Foothills Consolidation Opportunity

- **Attractively priced consolidation opportunities exist within the Alberta Foothills with considerable free cash flow and resource upside.**
- Due to the exodus from the Alberta Foothills into unconventional plays, previous operators have left underexploited reservoirs and under-utilized infrastructure providing an advantage and cost savings for a junior growth company.
- The Company has developed a business plan around the target assets that allows for significant free cash flow generation combined with high impact drilling opportunities on low-risk drilling locations.
- The lack of recent development drilling has left Foothills facilities and pipelines underfilled. Operators have plenty of processing capacity and egress for new gas.

Clean Corporate Entity, Attractive Foothills Oil-Prone Acreage

- Meaningful investment from “friends and family” shareholder group.
- No debt.
- Minimal ARO obligations after giving effect to the previously announced acquisitions of assets from an arm's length, privately held third party (“Acquisition 1”) and an arm's length publicly traded company (“Acquisition 2” and together with Acquisition 1, the “Acquisitions”). (1)
- *Pro forma* the Acquisitions, the Company has 26.4 net sections and up to 20 horizontal well locations in faulted Mesozoic reservoirs which assets are akin to fields previously developed in the Foothills by the Tuktu management team (e.g., Stolberg).
- TPP reserves NPV 10%(2):
    - Acquisition 1: $35 million(3)
    - Acquisition 2: $6.2 million (4)

(1) Specifics of the Acquisitions were announced December 8, 2022 and March 21, 2023.
(2) See press releases on reserves, December 8, 2022 and March 21, 2023. Reserves of the two acquisitions have different effective dates, thus a simple addition is not possible. Updated reserves are finalized by the corporation at year-end 2023.
(3) Based on the reserves report prepared by Chapman Petroleum Ltd. (the “Chapman Report") dated effective June 30, 2022.
(4) Based on the reserves report prepared by GLJ Ltd. (the “GLJ Report”) dated effective January 1, 2023.
(5) See “Advisory – Oil and Gas Information”.

Management Team

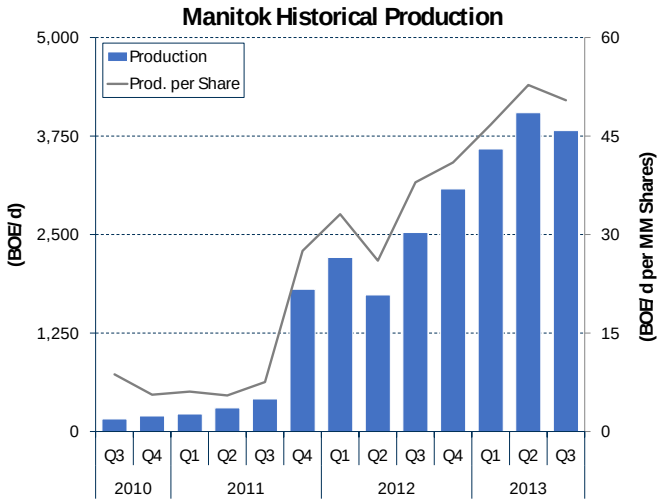
Tim De Freitas *President, CEO & Director*	• **25+ years experience**, including the founding of five previous oil and gas companies with assets both in Canada and globally, with direct experience in the Foothills via Talisman Energy Inc. ("Talisman") and Ikkuma, in addition to a breadth of experience at British Gas and ExxonMobil prior thereto. • Previous experience in both CEO and COO roles, with an educational background in mathematics, geology, and geophysics.
Mark Smith *VP, Finance & CFO*	• Chartered Professional Accountant with **18+ years experience** in oil and gas companies. • Prior experience in CFO roles including the start-up and management of E&P, midstream and royalty companies both domestically and internationally.
Greg Feltham *VP, Exploration*	• **20+ years experience** in structural exploration and development, specializing in fractured reservoirs. • Prior experience within the original Talisman Foothills team, including being involved in a number of acquisitions and drilling of >50 horizontal Foothills wells in the Western Canada Sedimentary Basin.
Kent Busby *VP, Production*	• **30+ years experience** in central Alberta, focused in both construction and oilfield operations, including the management of >200 field employees. • Member of the current technical/operations team for 10+ years, with various field roles at Pieridae Energy Ltd ("Pieridae"), Ikkuma, and Manitok, inclusive of managing three large deep cut gas plants and merging Shell's field operations into Pieridae.
Sumir Saini *VP, Land & Business Development*	• Almost **20 years experience**, in various management, land & business development roles. • Most recently, President of Empire Oil Corp. Previously Vice President, Land of Mount Bastion Oil & Gas Corp. and prior thereto, held various roles of increasing responsibility at Bellatrix Exploration Ltd. (and its predecessor, True Energy Trust). • Involved in >$1 billion in M&A transactions.

Bob Dales *Chairman of the Board*	• Bob was founder and co-founder of Kelt Exploration Ltd., Celtic Exploration Ltd., Peyto Exploration and Development Corp., Amarok Energy Inc., and Manitok, with decades of public company experience in the oil and gas sector at both the executive and board level. Bob is Chairman of the Board of Tuktu and was the Chairman of Ikkuma Resources Corp.	kelt exploration Celtic Exploration Ltd. IKKUMA Resources Corp.
Kathleen Dixon *Director*	• Kathleen Dixon, PGeo, MBA is a former Director with BMO Capital Markets in the Acquisitions and Divestitures group where during her 13 years, was part of over $20 billion in energy sector transactions. In 2019, Kathleen took a leave of absence to run as a candidate in Vancouver for the Conservative Party of Canada. After the election, she returned to BMO and completed her ICD.D designation. Kathleen currently sits on three private company and not-for-profit boards.	BMO Canadian Natural
William Guinan *Director*	• William C. (Bill) Guinan practiced law primarily at Borden Ladner Gervais LLP from 1982 until 2021. He has extensive experience with corporate governance and corporate finance matters as well as with mergers and acquisitions transactions, serving as director and as corporate secretary for numerous public and private corporations over the last 30 years. He holds a Bachelor of Business Administration from Acadia University (1977) and an MBA and LLB from Dalhousie University (1982).	BRIKO Energy IKKUMA Resources Corp. kelt exploration Celtic Exploration Ltd. Zedcor Energy Services
Natalie Sweet *Director*	• Natalie L. Sweet is a Professional Geologist with 25 years of exploration and development experience in the petroleum industry. She has held senior technical and leadership roles at several public and private corporations including Penn West Exploration Ltd., Apache Canada Ltd. and Mount Bastion Oil and Gas Corp. Ms. Sweet holds a Bachelor of Science in Geology from Queen's University (1991) and a Master of Science in Earth Sciences from the University of Ottawa (1995).	PennWest Mount Bastion Oil & Gas Corp. Canadian Discovery Ltd. Apache
Bronwyn Inkster *Corporate Secretary*	• Bronwyn is a Partner within the Securities Law practice at Burnet, Duckworth & Palmer LLP, with significant experience in corporate finance and capital markets. • Ms. Inkster holds a Bachelor of Laws from the University of Auckland and was admitted to the Alberta Bar in 2010.	BD&P

Note: Tim De Freitas (Director) listed on prior page.

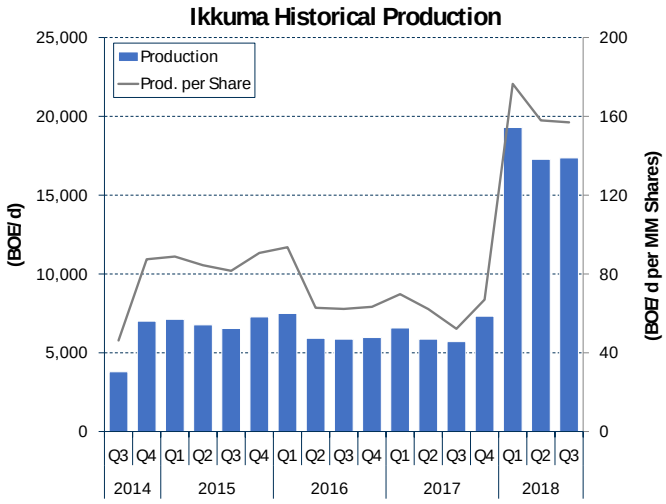
July 2010 to Oct. 2013

- **Went public via an amalgamation with private company, previously having raised $18MM in equity via private placements since being founded in 2005, with Mr. de Freitas serving as VP, Exploration and COO.**
- Completed a number of acquisitions and undertook meaningful exploration and development activities within the Central and Southern Alberta Foothills.
- Manitok was focused on both heavy oil, and Foothills natural gas, in many of the same areas where the Tuktu team is currently targeting M&A.



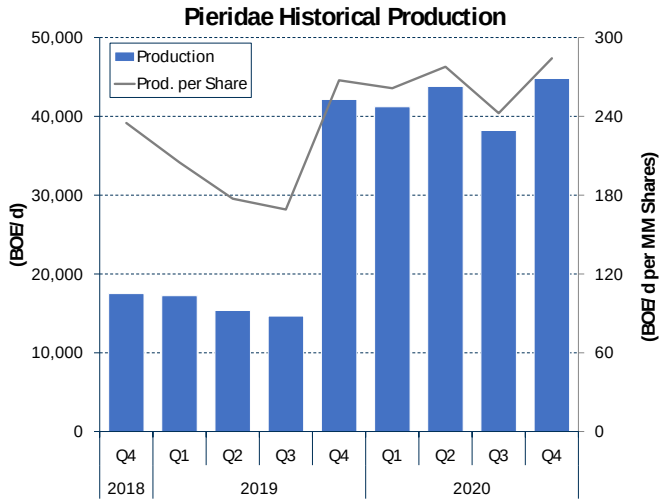
May 2014 to Dec. 2018

- **Went public via a reverse take-over of a public company, with a concurrent $20MM private placement, and a rights offering to existing public company shareholders.**
- Ikkuma subsequently undertook a successful $120MM asset acquisition in the Foothills region funded with a $130MM bought equity deal.
- The team would complete a number of additional acquisitions and equity raises, until Ikkuma was ultimately sold to Pieridae in December 2018 (~300% premium to VWAP). The team additionally negotiated a spin out transaction as part of the transaction, driving incremental value for all shareholders.



Dec. 2018 to Jan. 2021

- **Mr. de Freitas, in addition to other members of the Tuktu team, joined Pieridae at the closing of the Ikkuma transaction and remained with the company as it undertook the transformational Shell Foothills acquisition in 2019.**
- The Foothills transaction closed in late-2019, adding ~28,000 BOE/d in the Alberta Foothills, in addition to a number of facilities, for a total purchase price of $190MM. The Tuktu team was integral throughout the acquisition and subsequent integration.



Note: Historical Production Graphs prepared by Stifel Nicolas Canada Inc.

Current Production: 400 - 430 BOE/d (99% conventional natural gas and 1% light crude oil)

Corporate Decline: 7%

Reserves[(1)]:

	PDP NPV 10%	TPP NPV 10%
Acquisition 1	$590 thousand	$35M
Acquisition 2	$3.7M	$6.2M

2022 Operating Expenses ("OPEX"): $8.97/BOE[(2)]

Facilities: Foothills sweet gas plant with a name plate capacity of approximately 5mmcf/d

2023E Net Operating Income ("NOI"): ~$1MM/year[(3)]

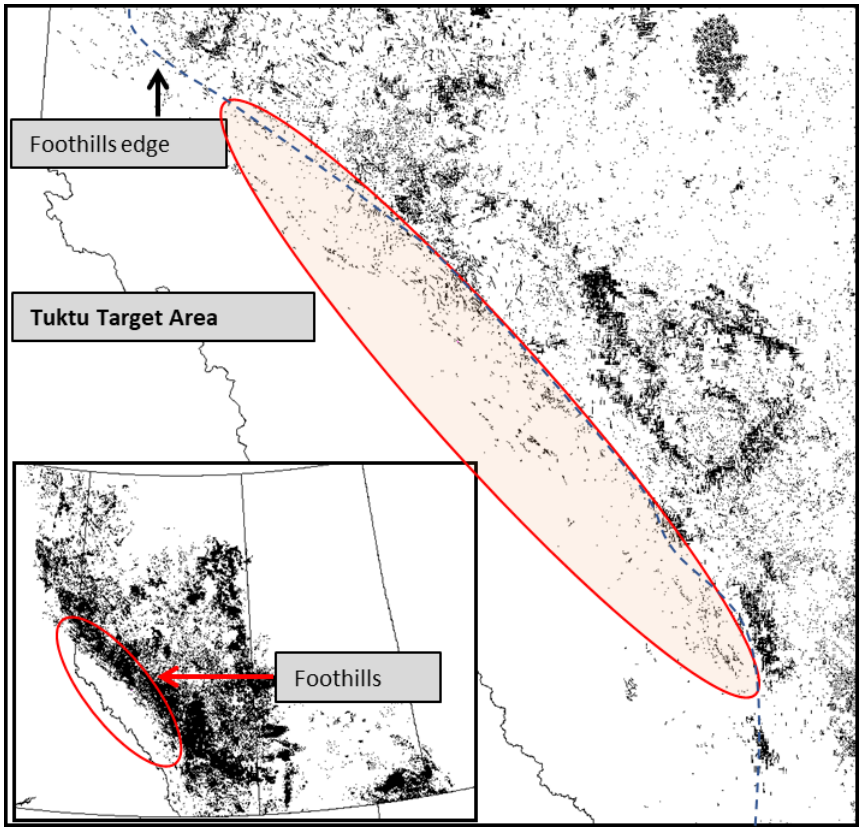
Corporate Strategy:

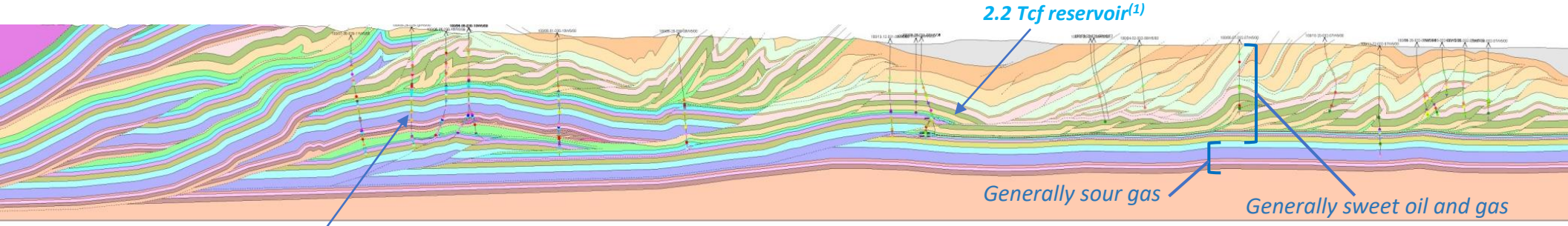
- Further consolidation of Foothills and Foothills adjacent assets, which produce a mixture of natural gas liquids and natural gas.
- Exploit an inventory of drill-ready prospects that will maximize usage of owned infrastructure, driving production expenses downward.
- Long-term view of becoming a dividend-paying corporation, pending accumulation of sufficient low decline base production.
- Leverage unique Foothills expertise to find and capitalize on opportunities which yield high project payout, domestically and internationally.

(1) Based on the Chapman Report in respect of Acquisition 1 and the GLJ Report in respect of Acquisition 2.
(2) Based on Vendor reporting for the year ended December 31, 2022 and includes transport costs, approximately $1.49/BOE over the same period. See "Non-GAAP and Other Financial Measures". Based on January 2023 strip pricing. Non-GAAP Financial Measure. See "Non-GAAP and Other Financial Measures".

Large Untapped Resource in an Underexploited Part of the Basin

- **Technical Advantage**
  - The complexity of the structures require significant technical expertise.
  - There are a limited number of teams with the track record, tenure and operational experience of Tuktu Resources.
  - Emphasis is placed on "geosteering" in reservoir sweet spot to avoid costly hydraulic fracture stimulations.
- **Limited Activity and Competition**
  - The Foothills area has not seen increased land sale prices like other highly active areas in the basin where operators are exploiting Cardium, Viking and Montney resource plays.
- **Considerable opportunities exist with limited competition**
  - Asset & Corporate acquisitions
  - Available Crown land
  - Joint Ventures / Farm-In deals
- **Cretaceous example (identified lands)**
  - Known oil accumulation and not exploited
  - Single producing light oil well on structure which may extend over 6-14 sections
  - Highly structured in leading part of thrust belt and at approximately 3,000 m depth



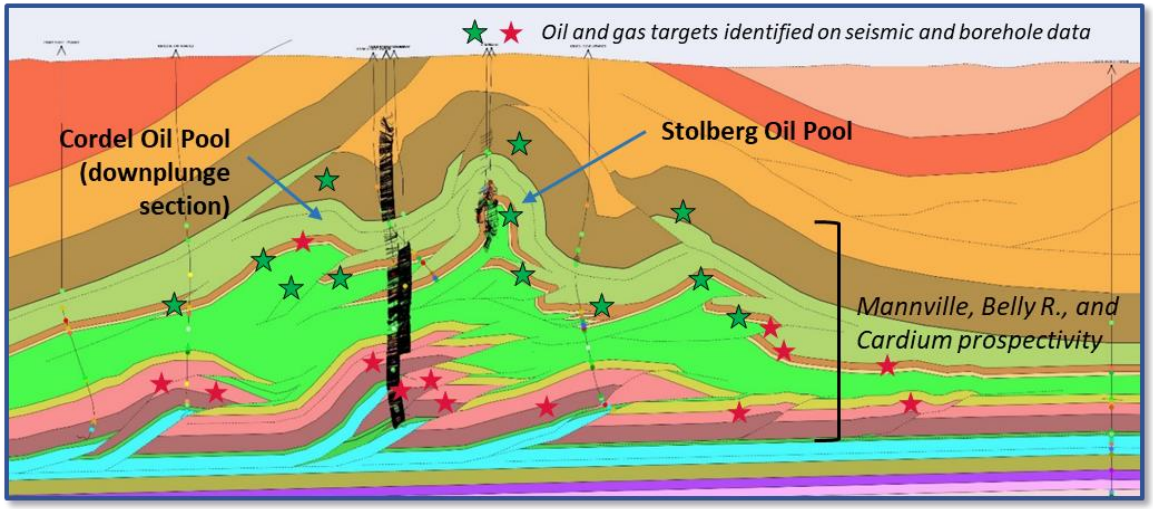


Regional structural cross section in the Central Alberta Foothills

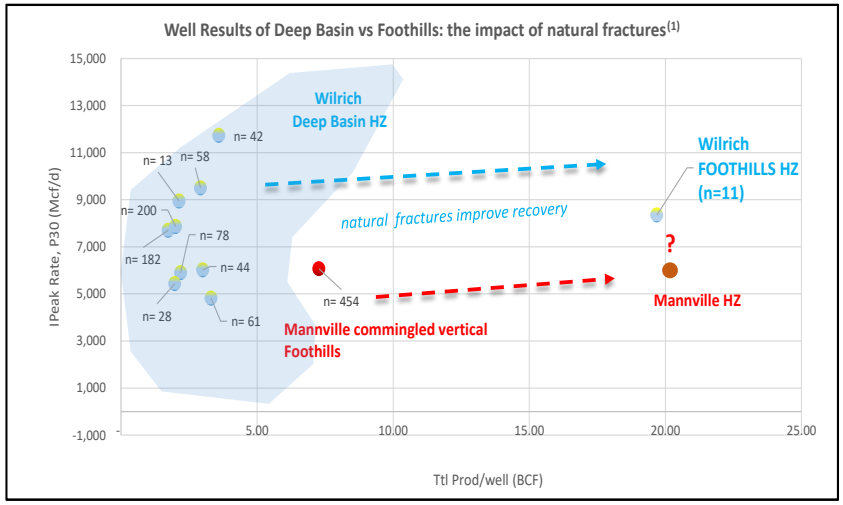
- Multiple, stacked sweet gas, oil and sour gas reservoirs, repeated in most of the Foothills
- Structural deformation creates high permeability fracture fairways which have been exploited successfully by the Tuktu management team through horizontal geosteering techniques

(1) Gas produced to date, (Geoscout)

- **Underexploited in development cycle: conventional reservoirs still exist within the Foothills which provide superior results as compared to unconventional/resource plays.**
  - Superior economics are generated from conventional reservoirs due to higher EURs / well; and reduced drilling and completion ("D&C") costs due to "open hole" vs "fracked" wells.
  - Resource plays considered last phase of basin life cycle, where horizontal multi-stage fracturing is required to create "reservoir" for production results.
- **Large oil and gas discoveries are still being made due to historical focus on "deeper, sour" reservoirs that supported infrastructure build out. The Tuktu team is responsible for:**
  - Stolberg Cardium Oil Field: >5.5 MMBbl produced to date [(1)].
  - New gas fairway in N. Alberta Foothills : One unstimulated vertical well in a reservoir trend which is forecast to produce >8 Bcf [(1)].
  - Narraway Cardium Oil Field : significant resources has been reported by other companies, but is, as yet, undeveloped.[(1)]



Cross-section: Stolberg area. Only the blue horizon above has been fully developed. Red and Green stars indicate remaining un-drilled targets. Folding and faulting creates natural fracture networks superior to "fracked" networks allowing for greater EURs.[(3)]



Peak rate and EUR/well of Deep Basin & Foothills Cretaceous wells. Blue: Wilrich expected to yield 18-20 Bcf/well vs deep basin at <5 Bcf/well). Red: Notikewan horizontal that has cum'd 5.3 Bcf to date.[(1)]

(1) *Source: GeoScout*
(2) *See Ikkuma Corporate presentation and estimates by Deloitte, 2017*
(3) *Cross-section prepared by management.*

Acquisition 1: Southern Alberta Foothills Light Oil

- Exploitation of proven Cretaceous and Jurassic light sweet oil and liquids rich natural gas in leading part of the thrust belt (Triangle Zone).
- Up to 20 drilling locations(1) in the Brown sandstone: a Jurassic aged, oil charged sandstone. Overlying Mannville reservoir stack is oil and liquids rich gas charged and creates additional inventory for exploitation (pad style operations).
- As part of Acquisition 1, the Company acquired one well with past production of 10-50 boe/d light oil on free flow (production day rate) and accumulated production of 10.2 mbbls(2) from the Brown and Dalhousie sandstones. Well requires artificial lift to increase production with consistent run time.
- Infrastructure footprint from legacy Pincher Creek field still in place providing egress for associated gas volumes.
- Long term egress to recently acquired sweet gas plant which will reduce costs significantly.

	1	2	3	4	5	6	7	8	9	10	11	12
	Lochend	Garrington	Ferrier	Willesden Green	Wilson Creek	East Pembina	Central Pembina	West Pembina	Edson	Kaybob	Wapiti	Stolberg
IP90 (boe/d)	174	143	291	229	152	128	127	141	191	112	206	305
IP 90% Liquids	78%	85%	38%	45%	71%	82%	85%	82%	44%	78%	45%	87%
EUR (mboe)	199	173	381	323	159	174	194	178	213	250	312	424
EUR % Liquids	44%	60%	23%	30%	46%	68%	74%	67%	33%	55%	27%	51%
Cost ($mm)	$2.9	$2.5	$2.9	$2.7	$2.2	$2.2	$2.4	$2.5	$2.5	$2.5	$2.9	$3.6
Sample Wells	138	436	163	487	180	537	137	801	80	61	91	35
NPV10* ($mm)	($0.1)	$0.2	$1.5	$0.8	($0.0)	$0.7	$0.9	$0.7	$0.0	$1.4	$0.3	$2.3
IRR	9%	12%	25%	16%	10%	18%	19%	19%	10%	24%	13%	43%
Breakeven WTI**	$49	$45	$24	$36	$49	$40	$39	$40	$48	$34	$44	$31
Top Operators by Hz. Prod'n:												

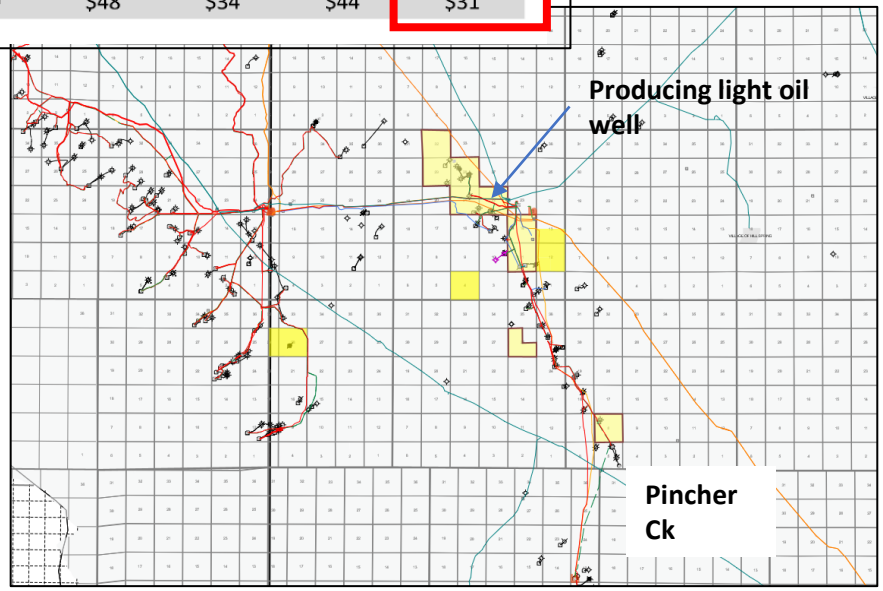
Robust single well economics that are expected to be comparable to Stolberg Cardium, which had best-in-class returns(3)

Southern Alberta Foothills Future Development

***0-6 months**: install artificial lift, consolidate land position*

***6-9 months:** well program planning*

***9-12 months:** commence drilling program*



(1) See "Advisory – Oil and Gas Information – Drilling Locations".

(2) Source: Geoscout.

(3) TD report, 2016, The Cardium Revisited: a Closer Look at Producer Activity, Well Results, and Economics Alberta Could be the Recipient of Incremental Capital at $50 Oil. The TD report used May 20, 2016, strip pricing; capital inputs were derived from company reports. More recent comparative analyses are not available due to the lack of significant drilling in the foothills since this report was released.. Also see "Advisory – Oil and Gas Information".

Acquisition 1: A look-alike to the Stolberg (Foothills) Oil Pool

- **Stolberg field provided organic growth to 5,100 boe/d[(1)] at peak production, limited by pool fairway length**
  - Stolberg field identified from one vertical oil well (8-31-42-15W5), with initial production (IP) rates of 24-30 boe/d with lift (pump jack).
  - Geosteering in Stolberg reservoir allowed access to the natural fracture system, resulting in IPs and EURs significantly higher than through vertical well results. Current internal estimates of average EURs for the Stolberg field are 202 Mbbl/well and average unstimulated peak production rates of 400 bbl/d

A reservoir comparison:

Stolberg:[(2)]

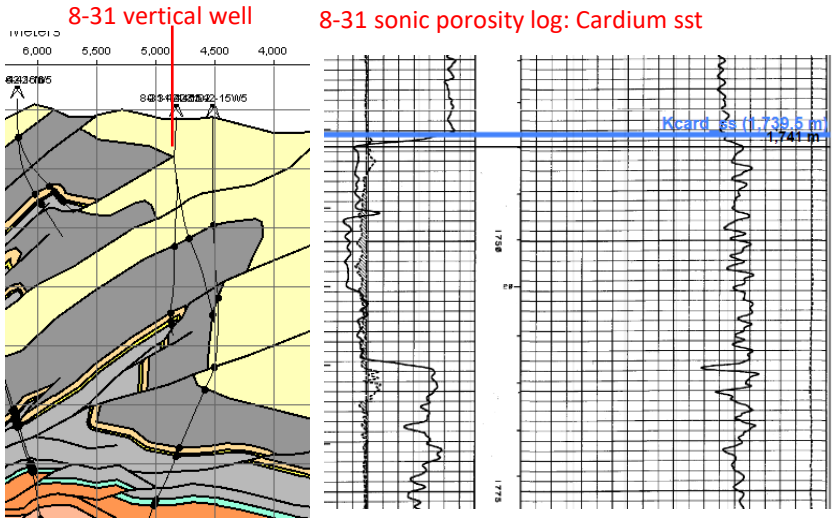
Reservoir: Cardium sandstone
- Coarsening upwards shoreface sandstone with porosities ranging from 6-9%

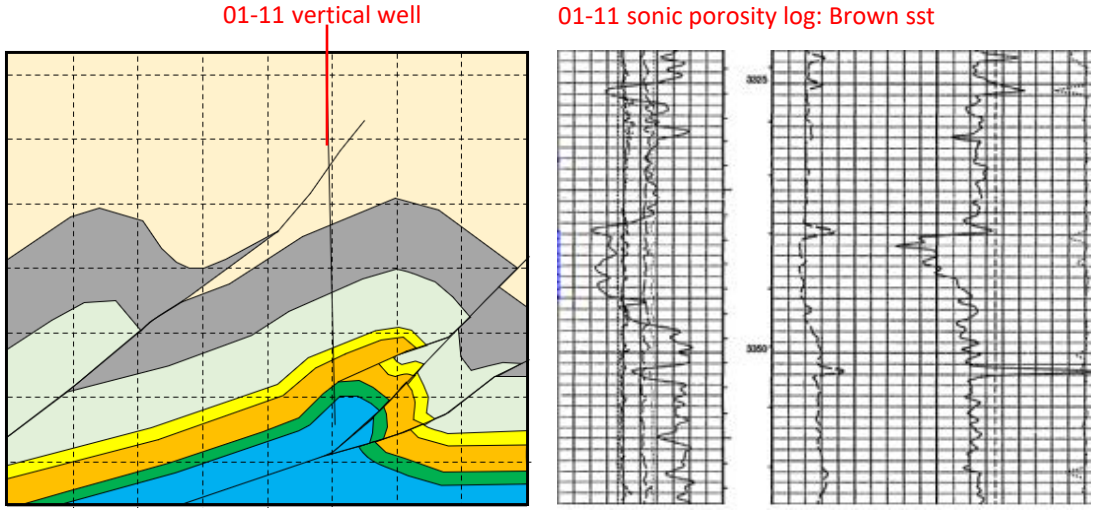
Oil: 40-50 api
Gas: 2000-5000 cf/bbl GOR, (theoretical yield of 75 bbls/mmcf)
Reservoir Pressure: 8 MPa (10-29 discovery well static grad)
Fairway length: 14.5 km
TVD: ~1,400-1,700m
Vertical Well: 24-30 boe/d on lift, EUR: 35.7 mbbls [(1)]

Pincher Creek:

Reservoir: Brown sandstone
- Coarsening upwards shoreface sandstone with porosities ranging from 6-9%

Oil: 47 api
Gas: 2,000 cf/bbl GOR, (theoretical yield, 75 bbls/mmcf)
Reservoir Pressure: 30 MPa (01-11 discovery well static grad)
Fairway length: 24.5 km
TVD: ~3,200-3,500m
Vertical Well: 10-50 boe/d free flow, EUR: 27 mbbls (PDP)[(3)]





Pincher Creek play has similar reservoir parameters to Stolberg field, characterized by natural fracture flow, a longer fairway and 3.5x the reservoir pressure.

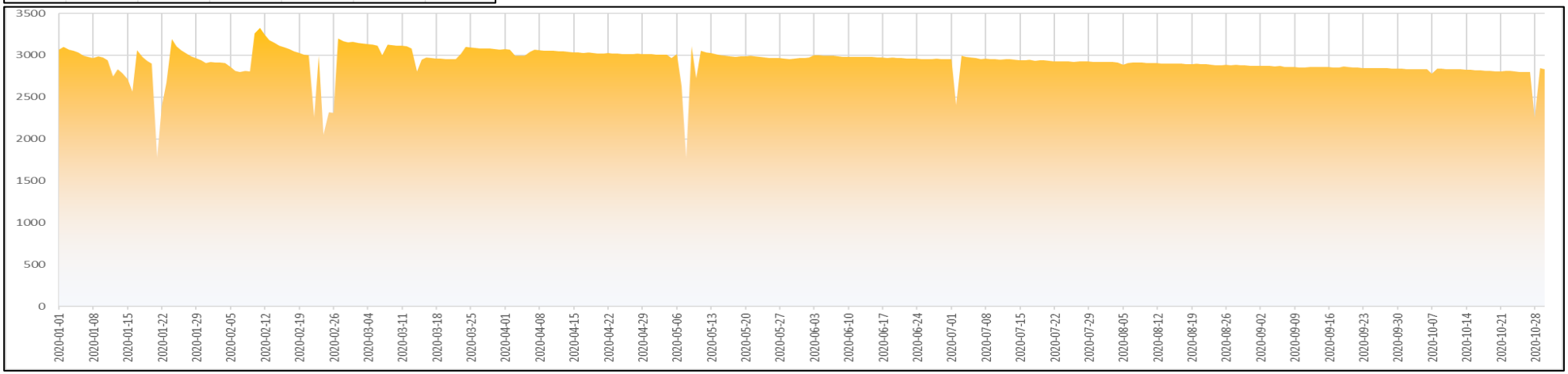
(1) Total produced oil; this well ceased production in November 2018 (Geoscout)
(2) See "Advisory – Analogous Information".
(3) Based on the Chapman Report

Cowley Gas Plant



- Low decline (7%), conventional natural gas production
- Asset provides trailing 12 month corporate OPEX of $8.97/BOE [1]
- Purchased at 2X Net Operating income[2]
- $3.09/BOE PDP purchase price, approximately 406 BOE/d
- About 18% of the total production is in the Southern Alberta Plains
- Majority of the production are from unstimulated, fractured Cretaceous reservoirs drilled with deviated wells
- Asset LMR is 2.80
- 8,261 net hectares
- Sweet gas plant, with name plate capacity of approximately 5 MMcf/d, originally constructed for 20 MMcf/d processing capacity, but certain components have been decommissioned.

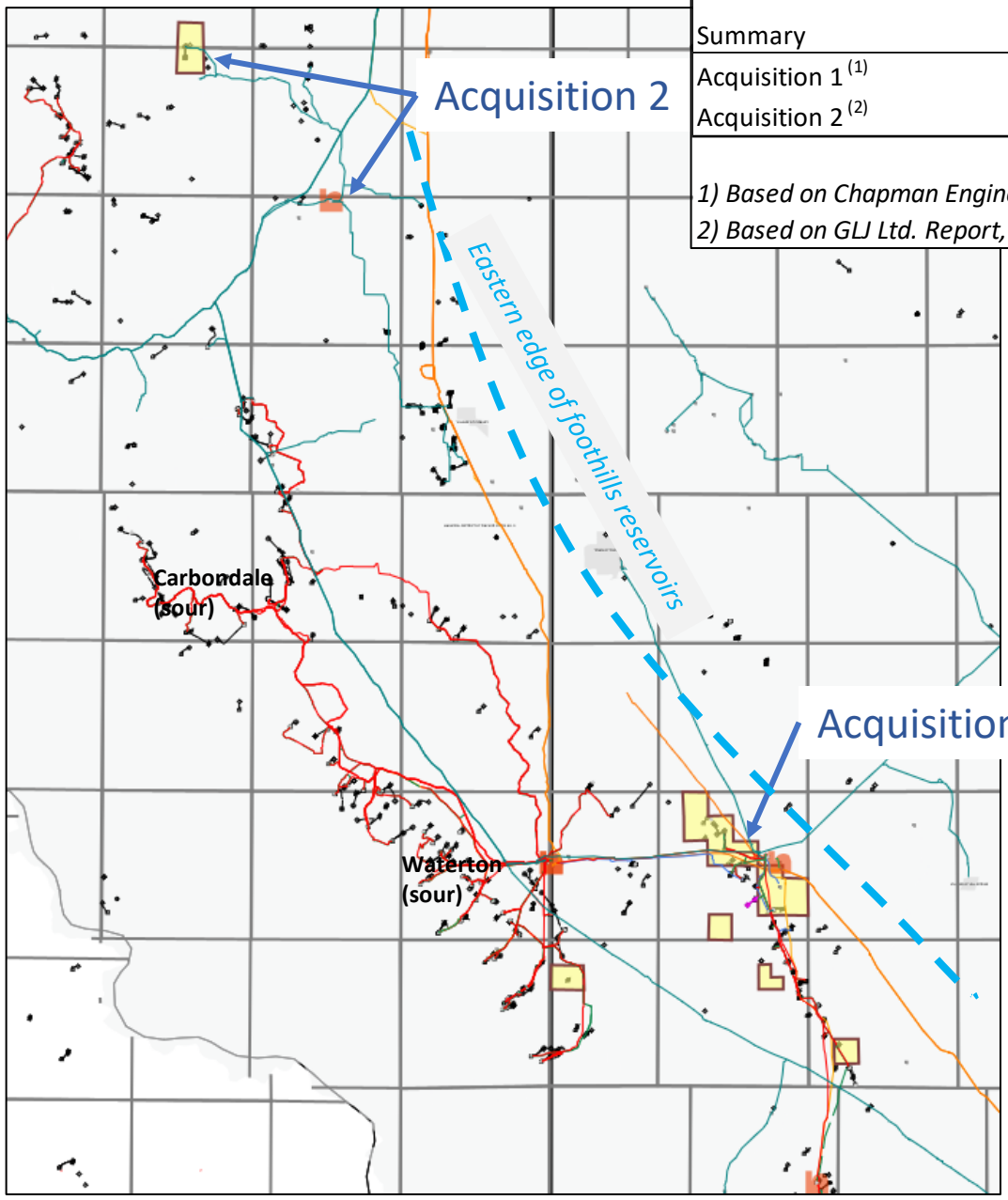
Stable low decline gas production



(1) Based on Vendor reporting for the year ended December 31, 2022 and includes transport costs, approximately $1.49/BOE. Non-GAAP Financial Measure. See "Non-GAAP and Other Financial Measures".

(2) *Non-GAAP Financial Measure. See "Non-GAAP and Other Financial Measures".*

Acquisition 2: Southern Alberta Foothills Sweet Gas



Summary	PDP (Mboe)	NPV10% ($M)	TPP (MPBOE) (Mboe)	TPP NPV10% ($M)
Acquisition 1 [1]	27	$ 590	1,301	$ 35,087
Acquisition 2 [2]	727	$ 3,700	1,449	$ 6,200

1) Based on Chapman Engineering Report, as at June 30, 2022, press released December 8, 2022
2) Based on GLJ Ltd. Report, as at Jan 1, 2023, press released March 21, 2023

- The Acquisitions in southern Alberta Foothills with interconnected egress provide exploitation fairway in excess of 80 km.
- Long term plan is to repurpose existing infrastructure and expand Tuktu's 100% owned sweet gas plant to process additional volumes.
- Eastern edge of Foothills belt is sweet gas and oil prone, in comparison to reservoirs farther west, which are critically sour.
- Significant number of undrilled Cretaceous and Jurassic aged reservoirs throughout this area with proven production (Cardium, Mannville and Morrisey).

In this presentation, all amounts are in Canadian dollars, unless otherwise indicated. Any graphs, tables or other information in this presentation demonstrating the historical performance, growth and transactions of entities, assets, geographical areas and the management team are intended only to illustrate past performance and are not necessarily indicative of future performance of the Company.

Forward-Looking Information

Certain information contained herein may constitute forward-looking statements and information (collectively, "forward-looking statements") within the meaning of applicable securities legislation that involve known and unknown risks, assumptions, uncertainties and other factors. Forward-looking statements may be identified by words like "anticipates", "estimates", "expects", "indicates", "intends", "may", "could" "should", "would", "plans", "target", "scheduled", "projects", "outlook", "proposed", "potential", "will", "2023(e)" and similar expressions. Forward-looking statements in this investor presentation include statements relating to the Company's business strategy, plans, objectives, priorities and desired investment profile characteristics; financial and operating forecasts with respect to the acquired assets; anticipated production growth; expectations with respect to free cash flow and growth as a result of robust drilling economics; the Company's anticipated corporate strategy including further consolidation of foothills and foothills adjacent assets and exploitation of drill ready prospects; the Company's ability to leverage management's unique foothills expertise; the Company's intention of accumulating sufficient low decline base production and becoming a dividend-paying corporation; expectations that Cretaceous reservoirs will contribute to area volume expansion; estimated metrics of the acquired assets including estimated NOI, free cash flow yield and production, among others; the Company's future development and ability to commence a drilling program in the South Alberta foothills; the Company's intention to repurpose existing infrastructure and expand its sweet gas plant to process additional volumes; projections with respect to operating expenditures, capital expenditures and field cash flow; anticipated payout; estimates with respect to the D&C costs per well; the Company's position to operate foothills assets; operators' processing capacity and egress for new gas; and other similar statements. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions that could cause results to differ materially from those expressed in the forward-looking statements.

Statements relating to reserves are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future.

Factors that could cause actual results to vary from forward-looking statements or may affect the operations, performance, development and results of the Company's businesses include, among other things: risks and assumptions associated with operations, such as the Company's ability to successfully implement its strategic initiatives and achieve expected benefits; assumptions regarding the acquired assets; assumptions concerning operational reliability; risks inherent in the Company's future operations; the Company's ability to generate sufficient cash flow from operations to meet its future obligations; risks to the Company's ability to effectively implement its anticipated corporate strategy; the Company's ability to develop and commence a drilling program in the South Alberta Foothills; risks to operators' processing capacity and egress for new gas; increases in maintenance, operating or financing costs; the realization of the anticipated benefits of future acquisitions, if any; the availability and price of labour, equipment and materials; competitive factors, including competition from third parties in the areas in which the Company intends to operate, pricing pressures and supply and demand in the oil and gas industry; fluctuations in currency and interest rates; inflation; risks of war, hostilities, civil insurrection, pandemics, instability and political and economic conditions in or affecting countries in which the Company intends to operate (including the ongoing Russian-Ukrainian conflict); severe weather conditions and risks related to climate change; terrorist threats; risks associated with technology; changes in laws and regulations, including environmental, regulatory and taxation laws, and the interpretation of such changes to the management team's future business; availability of adequate levels of insurance; difficulty in obtaining necessary regulatory approvals and the maintenance of such approvals; general economic and business conditions and markets; and such other similar risks and uncertainties. The impact of any one assumption, risk, uncertainty or other factor on a forward-looking statement cannot be determined with certainty, as these are interdependent and the Company's future course of action depends on the assessment of all information available at the relevant time.

With respect to forward-looking statements contained in this presentation, the Company has made assumptions regarding, among other things: that the Foothills are an underexploited region of the basin; that underexploited reservoirs will contribute to area volume expansion; assumptions regarding future strip pricing; commodity prices; future exchange and interest rates; supply of and demand for commodities; inflation; the availability of capital on satisfactory terms; the availability and price of labour and materials; the value of management's unique foothills experience and that the Company will be able to leverage such experience; the impact of increasing competition; conditions in general economic and financial markets; access to capital; the receipt and timing of regulatory and other required approvals; the existence of opportunities for acquisitions or joint venture arrangements and the availability of crown land; the ability of the Company to implement its business strategies and complete future acquisitions; the ability of the Company to accumulate sufficient low decline base production and become a dividend-paying corporation; the Company's ability to repurpose existing infrastructure and expand its sweet gas plant to process additional volumes; the continuance of existing and proposed tax regimes; and effects of regulation by governmental agencies.

Forward-Looking Information, cont'd

The forward-looking statements contained in this investor presentation are made as of the date hereof and the parties do not undertake any obligation to update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Forward-Looking Financial Information

This presentation contains future-oriented financial information and financial outlook information (collectively, "**FOFI**") about the Company's prospective operational and financial results, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. FOFI contained in this presentation was made as of the date of this presentation and was provided for the purpose of providing further information about the Company's future business operations, the Company disclaims any intention or obligation to update or revise any FOFI contained in this presentation, whether as a result of new information, future events or otherwise, unless required pursuant to applicable securities laws. Readers are cautioned that the FOFI contained in this corporate presentation should not be used for purposes other than for which it is disclosed herein.

Non-GAAP and Other Financial Measures

This presentation uses various specified financial measures including "non-GAAP financial measures", "non-GAAP ratios", "capital management measures", and "supplementary financial measures" (as such terms are defined in National Instrument 51-112 – *Non-GAAP and Other Financial Measure Disclosure* ("**NI 51-112**")), which are described in further detail below. Management believes that the presentation of these non-GAAP measures provide useful information to investors and shareholders as the measures provide increased transparency and the ability to better analyze performance.

Non-GAAP Financial Measures

NI 52-112 defines a non-GAAP financial measure as a financial measure that: (i) depicts the historical or expected future financial performance, financial position or cash flow of an entity; (ii) with respect to its composition, excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in the primary financial statements of the entity; (iii) is not disclosed in the financial statements of the entity; and (iv) is not a ratio, fraction, percentage or similar representation.

These non-GAAP financial measures are not standardized financial measures under IFRS and might not be comparable to similar measures presented by other companies where similar terminology is used. Investors are cautioned that these measures should not be construed as alternatives to or more meaningful than the most directly comparable IFRS measures as indicators of the Company's performance.

Set forth below are descriptions of the non-GAAP financial measures used in this presentation.

Net Operating Income (NOI)

Management suggest that net operating income is a key industry benchmark and measure of operating performance of the Company that assists management and investors in assessing the Company's profitability and is commonly used by other petroleum and natural gas producers. Net operating income is calculated as petroleum and natural gas revenue less royalties, transportation and operating expenses.

Supplementary Financial matters

This presentation may contain certain supplementary financial measures. NI 52-112 defines a supplementary financial measure as a financial measure that: (i) is intended to be disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of an entity; (ii) is not disclosed in the financial statements of the entity; (iii) is not a non-GAAP financial measure; and (iv) is not a non-GAAP ratio.

The Company calculates "Opex/boe" by dividing operating expenses as determined in accordance with IFRS by production for the applicable period.

Oil and Gas Advisories

The reserves estimates for: (i) Acquisition 1 presented herein have been evaluated by independent qualified reserves evaluators in accordance with NI 51- 101 and the Canadian Oil and Gas Evaluation Handbook ("COGE Handbook"), are effective June 30, 2022 and are based on an independent evaluation by Chapman Petroleum Engineering Ltd. using July 1, 2022 forecast pricing (the "Chapman Report"); and (ii) Acquisition 2 presented herein have been evaluated by independent qualified reserves evaluators in accordance with NI 51- 101 and the COGE Handbook are effective December 1, 2023 and are based on an independent evaluation by GLJ Ltd. using July 1, 2022 forecast pricing (the "GLJ Report" together with the Chapman Report, the "Acquisition Reserves Report"). The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Oil and Gas Metrics

This presentation contains certain oil and gas and other metrics, including "internal rate of return (IRR)", "EUR", "payout", "PDP NPV10%" and "TPP NPV10%" which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies.

- "**Internal rate of return (IRR)**" means the rate of return of a well or the discount rate required to arrive at a net present value equal to zero. **The Company uses IRR as a measure of return on capital investment.** Payout is another metric employed by the company to determine project profitability and this term is described below.
- "**Estimated ultimate recovery**" or "**EUR**", while commonly used in the oil and gas industry, does not have a standardized meaning and may not be comparable to similar measures presented by other companies, and therefore should not be used to make such comparisons. This metric has been included to provide readers with an additional measure to evaluate the Company's wells and analogous wells; however, such measure is not a reliable indicator of the future performance of the Company and its assets and future performance may not compare to the performance in previous periods or the performance of analogous wells and therefore this metric should not be unduly relied upon. EUR is calculated as estimated ultimate recovery of crude oil and natural gas from a typical well in the area. **Unless otherwise identified, EUR was determined internally by the Company by a non-independent qualified reserves evaluator incorporating current well results and historical well performance from the Company's analogous pools in the nearby area.**
- "**Payout**" means the period of time by which all costs of drilling, completions, and tie-in for a well or wells have been recovered from the sale of production (net of operating costs and royalties) from a well or wells.
- "**PDP NPV10%**" means the anticipated net present value of the future net revenue discounted at a rate of 10% associated with the proved developed producing reserves.
- "**TPP NPV10**" means the anticipated net present value of the future net revenue discounted at a rate of 10% associated with the total proved plus probable reserves.

Barrels of Oil Equivalent

The term "BOE" or barrels of oil equivalent may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand cubic feet of natural gas to one barrel of oil equivalent (6 Mcf: 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Additionally, given that the value ratio based on the current price of crude oil, as compared to natural gas, is significantly different from the energy equivalency of 6:1; utilizing a conversion ratio of 6:1 may be misleading as an indication of value.

Analogous Resource Information

This presentation contains certain information with respect to resources in place on properties adjacent to the acreage where the Company intends to invest its resources, which is "analogous information" as defined by applicable securities laws. This analogous information is derived from publicly available information sources which management believes are predominantly independent in nature. Some of this data may not have been prepared by qualified reserves evaluators or auditors and the preparation of any estimates may not be in strict accordance with Canadian Oil & Gas Evaluation Handbook. Regardless, estimates by engineering and geotechnical practitioners may vary and the differences may be significant. Management believes that the provision of this analogous information is relevant to its intended activities and forecasting; however, readers are cautioned that there is no certainty that the forecasts provided herein based on analogous information will be accurate.

Drilling Locations

This presentation discloses the Company's expectations of future drilling locations. While 4 of these estimated drilling locations may be consistent with "booked" drilling locations identified in Chapman Report, as having associated proved and/or probable reserves, 16 are considered "unbooked" becasue they have no associated proved and/or probable reserves in the Acquisition Reserves Reports. Unbooked locations are internal estimates based on the Company's 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 have been identified by management as an estimation of our multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production, pricing assumptions and reserves information. There is no certainty that the Company will drill all drilling locations identified herein and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. Execution of the drilling locations on which the Company has identified 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. Certain 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.

Initial Production Rates

Any references in this presentation to initial production rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company or analogous wells.