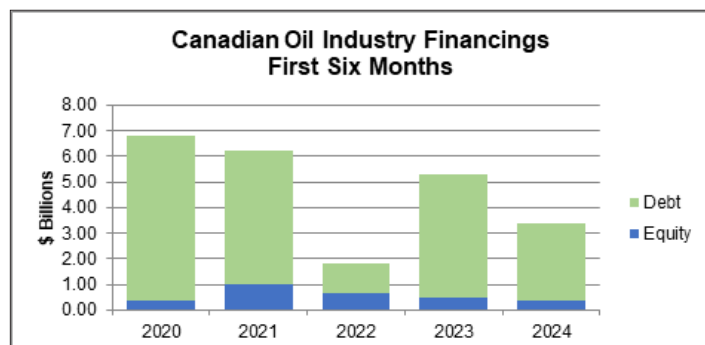


## Total Financings Down Significantly in First Half of 2024

A total of \$3.4 billion of capital was raised by the Canadian oil and natural gas industry in the first six months of 2024, down 36% from the \$5.3 billion recorded over the same time period in 2023. Financings were down year-over-year for both debt and equity.

The amount of debt raised declined 38% to approximately \$3.0 billion from \$4.8 billion in the first half of 2023. Equity financings also decreased 18% to approximately \$397.3 million from \$482.6 million in the first six months of 2023. For equity, this is a continued downward trend since 2021, when approximately \$1.0 billion was raised during the first half of 2021.



Of the approximately \$3.0 billion of debt that was raised in the first six months of 2024, the majority of debt issues, \$2.8 billion, were comprised of straight debt and were completed in the second quarter of 2024. Convertible debt accounted for only \$172.6 million of the total debt financings in the first half of the year. The top three debt issuances accounted for 90% of the total debt raised in the first half of 2024, or approximately \$2.7 billion.

**Veren Inc.** raised \$1.0 billion with two separate debt issues in the first six months of 2024. Veren completed a senior unsecured note offering of \$550.0 million with a five year term

and a coupon rate of 4.968% and a senior unsecured note offering of \$450.0 million with a 10 year term and a coupon rate of 5.503%. The proceeds of the notes offering were used to repay existing indebtedness under bank facilities, including fully retiring Veren's bank term loan.

The second-largest debt offering in the first half of 2024 was completed by **Saturn Oil & Gas Inc.** Saturn raised US \$650.0 million (approximately CDN \$893.8 million) in senior unsecured notes with a five-year term which bear interest at 9.625%. A portion of the proceeds from the offering were used towards the \$600.0 million acquisition of assets from Veren, the repayment of Saturn's senior secured term loan as well as for general corporate purposes. The assets acquired from Veren are located in the Battrum, Butte, Cantuar, Flat Lake, Hatton and Premier areas of Saskatchewan. The assets acquired are contiguous with Saturn's existing core properties and include over 410,000 gross acres of land with approximately 950 drilling locations.

The third-largest debt financing was completed by **Baytex Energy Corp.** which raised US \$575.0 million (CDN \$780.5 million) of 7.375% senior unsecured notes due in 2032. Baytex used the net proceeds from the offering to redeem its outstanding US\$409.8 million aggregate principal amount of 8.75% notes due April 1, 2027, to repay a portion of the debt outstanding on its credit facilities and for general corporate purposes.

(continued on page 2)

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## Total Financings Down...

(continued from page 1)

As previously-mentioned, equity financings totaled \$397.3 million, accounting for only 12% of the total capital raised in the first six months of 2024. In the first half of 2023, \$482.6 million in equity was raised accounting for only 9% of the total capital raised.

In addition to the previously mentioned debt offering, Saturn also completed two significant equity financings in the first six months of 2024. In February 2024, Saturn completed a bought deal private placement equity financing for gross proceeds of \$50.0 million through the issuance of 22,223,000 shares at a price of \$2.25 per share. In June 2024, Saturn completed another bought deal equity financing for gross proceeds of approximately \$100.0 million through the issuance of 42,554,000 shares at a price of \$2.35 per share. The proceeds of the June 2024 equity offering were used towards the previously mentioned \$600.0 million acquisition of assets from Veren.

**Advantage Energy Ltd.** also completed a significant equity and debt financing in the first half of 2024 through the

issuance of 5,910,000 shares at a price of \$11.00 per share for \$65.0 million and \$125,000,000 of 5.0% extendible convertible unsecured subordinated debentures on a five-year term. Proceeds of the financings were used towards the acquisition of assets from **Longshore Resources Ltd.** The assets acquired by Advantage are located in the Glacier, Gordondale, Progress, Valhalla and Wembley areas of Alberta and the Attachie and Inga areas of British Columbia. The acquisition includes 163 net sections of Charlie Lake rights, 37 net sections of Montney rights in Alberta and 33 net sections of Montney rights in northeastern British Columbia which are contiguous with Advantage's existing core areas.

In the third quarter of 2024, to date, a total of approximately \$600.0 million in capital has been raised consisting of approximately \$540.0 million in debt and \$60.0 million in equity. With interest rates forecasted to continue to decline in the near term we may see additional debt financings announced in the fourth quarter of 2024.

*Written by Tom Pavic  
Sayer Energy Advisors*

*Originally Appeared in the Daily Oil Bulletin on September 25, 2024*

## Current Disposition Packages Available through Sayer Energy Advisors



- Property Divestiture
- Various areas of Alberta
- 505 boe/d (1.6 MMcf/d, 238 bbl/d)
- Bid Deadline: December 12, 2024



- Property Divestiture
- Greater Grande Prairie area, Alberta
- Oil & Natural Gas Prospects
- Bid Deadline: December 19, 2024



- Property Divestiture
- Goose River, Alberta
- 150-175 bbl/d Capability
- Bid Deadline: December 19, 2024



- Property Divestiture
- Prestville, Alberta
- 294 boe/d (211 Mcf/d, 259 bbl/d)
- Bid Deadline: January 16, 2025

Visit our website at [www.sayeradvisors.com](http://www.sayeradvisors.com) for more information

# Assets for Sale Value Up 32% Year-Over-Year

The amount of Canadian oil and natural gas assets and companies publicly available for sale is up roughly 32% from this time last year. Currently, there is approximately \$4.9 billion in Canadian oil and natural gas properties and companies up for sale. This time last year there was a total of approximately \$3.7 billion in oil and natural assets for sale. These amounts are Sayer's estimates of the market value of the assets and companies up for sale publicly. The amount of available Canadian oil and natural gas assets for sale can be attributed to a combination of several companies pursuing public "strategic alternatives processes", corporate divestitures and property divestitures as well as entities involved in insolvency proceedings.

The bulk of the assets for sale publicly in the market in the third quarter of 2024 were made up of corporate sales processes and strategic alternatives processes, which constitute approximately \$3.5 billion of the assets for sale. This is similar to 2023, where the main segment of the assets for sale in public marketing processes was \$3.1 billion. The number of companies in sales is consistent with this time last year. With the exception of 2022, the trend for the last number of years has been strategic alternatives processes constituting the bulk of the publicly available assets for sale.

A company that is in a strategic alternatives processes is publicly-traded **Greenfire Resources Ltd.** Earlier this month, **Waterous Energy Fund Management Corp.** announced that it had acquired 43.3% of the issued and outstanding common shares of Greenfire in a takeover bid. Greenfire's main operations are located in the Athabasca oil sands area with total production of 18,893 bbl/d of oil.

**Muddy Petroleum Company Ltd.** also recently announced a strategic alternatives process. Muddy is a private junior company with predominately non-operated working interests located in the Gilby, Gold Creek, Kaybob, Obed and Pembina areas of Alberta. Muddy's production is approximately 48 boe/d (209 Mcf/d of natural gas and 13 bbl/d of oil and natural gas liquids).

The number of insolvencies in 2024 has increased year-over-year. There are currently eight insolvency sales processes compared to four this time last year.

Recently, **Erikson National Energy Inc.** filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act, as amended (the "NOI"). Erikson retained **KSV Restructuring Inc.** as proposal trustee for the NOI process, and engaged Sayer to assist with a sale and investment solicitation process (the "SISP") in its NOI proceedings. Erikson's oil and natural gas interests consist primarily of operated, high working interest shale natural gas production from several formations including the Baldonnel, Charlie Lake, Debolt, Halfway, Jean-Marie and Muskwa formations and are located in the Wildboy and Greater Fort St. John areas of British Columbia.

Earlier this year, **AlphaBow Energy Ltd.** announced a SISP for its oil and natural gas interests located throughout Alberta as part

of an order pursuant to the Companies' Creditors Arrangement Act, ("CCAA") whereby KSV Restructuring was appointed by the Court to as the monitor of AlphaBow. As part of the CCAA, AlphaBow engaged Sayer to assist it with the SISP.

**Sequoia Resources Corporation** initiated a sales process in the second quarter of 2024, pursuant to the Bankruptcy and Insolvency Act. Sayer was engaged to assist with the sale of Sequoia's remaining oil and natural gas properties located throughout Alberta. Further to a closure order from the Alberta Energy Regulator, Sequoia's licensed properties have been shut-in since March 2018.

Further public sales processes currently underway include a variety of non-core property divestitures, which Sayer is also involved in, such as **Bounty Developments Ltd., Coastal Resources Limited, Conifer Energy Inc. and Prairie Thunder Resources Ltd.**

Bounty has initiated a process farmout or sale for its predominantly 100% working interests in Crown mineral rights, with prospective drilling locations for oil and natural gas primarily in the Montney, Charlie Lake, and Halfway formations. Bounty's interests are located in the Elmworth, Valhalla, Wapiti and Wembley areas of Alberta.

Coastal is currently seeking offers for certain of its oil and natural gas interests located in Alberta. Current production associated with the properties is approximately 505 boe/d, consisting of 1.6 MMcf/d of natural gas and 238 barrels of oil and natural gas liquids per day.

Conifer is seeking offers for its oil and natural gas interests located in the *Goose River* area of Alberta, consisting of various working interests including Conifer's interest in the *Goose River Unit No. 1* and its interest in the Snipe-Goose Gas Gathering System. Conifer is selling the property in order to focus on its core operations.

Prairie Thunder is currently seeking offers for its oil and natural gas interests located in the Puskwa area of Alberta with production of approximately 94 boe/d, consisting of 94 bbl/d of oil.

A factor to consider when examining the amount of oil and natural gas production publicly for sale is that it may not truly reflect all assets or oil and natural gas companies for sale at any given time as a number of sales processes are conducted privately and are not included in our total value calculations. Several companies, including **Buffalo Mission Energy Corp., Crew Energy Inc., i3 Energy plc. and Perpetual Energy Inc.** were recently sold and had not announced their intention to sell in advance.

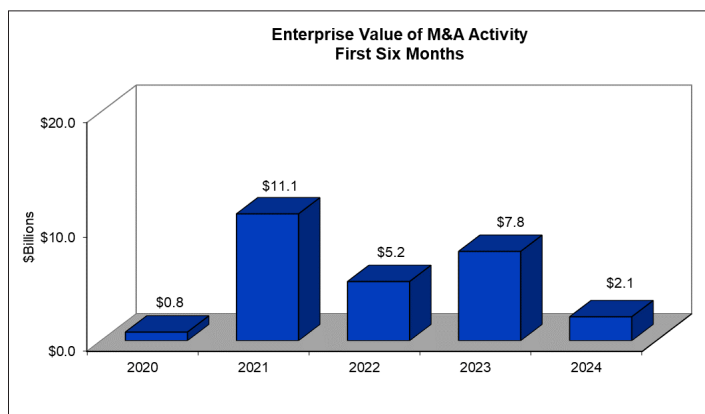
Factors which influence the amount of Canadian oil and natural gas assets publicly for sale include commodity prices and the amount of capital available. If weakness in commodity prices persist, along with the continued inability for many oil and natural gas companies to raise capital, we may see a decent amount of Canadian oil and natural gas companies and properties publicly for sale in early 2025.

*Written by Ben Rye  
Sayer Energy Advisors  
Originally Appeared in the Daily Oil Bulletin on November 27, 2024*



# M&A Value in First Half of 2024 Down 73%

The total enterprise value of merger and acquisition (“M&A”) activity in the Canadian oil and natural gas industry in the first half of 2024 was approximately \$2.1 billion, down 73% from the \$7.8 billion recorded in the first six months of 2023. This was the lowest amount of M&A activity in the first six months of a year since 2020 when there was approximately \$800.0 million in total M&A value.



There were no deals in excess of \$1.0 billion in size in the first six months of 2024. The largest deal in the first half of this year was **Saturn Oil & Gas Inc.**’s acquisition of assets from **Veren Inc.** (previously known as **Crescent Point Energy Corp.**) for \$600.0 million. The properties acquired are located in the Flat Lake, Battrum, Butte, Cantuar, Hatton and Premier areas of Saskatchewan. The assets acquired are contiguous with Saturn’s existing core properties and include over 410,000 gross acres of land with approximately 950 gross drilling locations.

The second-largest deal in the first half of 2024 was **Advantage Energy Ltd.**’s acquisition of **Longshore Resources Ltd.**’s interests in the Gordondale, Glacier, Progress, Valhalla and Wembley areas of Alberta and the Attachie and Inga areas of British Columbia for \$450.0 million. The acquisition includes 163 net sections of Charlie Lake rights, 37 net sections of Montney rights in the Alberta Montney and 33 net sections of Montney rights in northeastern British Columbia which are contiguous with Advantage’s existing core areas.

Other significant transactions in the first half of 2024 were **Obsidian Energy Ltd.**’s acquisition of assets from **Woodcote Oil & Gas Inc.** for \$76.0 million and **Astara Energy Corp.**’s purchase of **Blackspur Oil Corp.** for \$75.0 million. The assets acquired by Obsidian are located in the Gift Lake and Peavine areas of Alberta targeting the Clearwater Formation. Obsidian has identified 199 drilling locations on the properties and the assets are synergistic to Obsidian’s current operations in the area. Blackspur’s main producing properties were located in the Brooks and Thorsby areas of Alberta.

Of the \$1.9 billion in large transactions (valued at more than \$5.0 million) in the first six months of 2024, \$1.5 billion were property deals while \$374.4 million were corporate transactions. In total there were 26 large transactions in the first half of 2024, compared to 20 large transactions during the same time period in 2023. There were 19 property deals and seven corporate deals in the first six months of 2024. This compares to the first half of 2023, when the split between large corporate and property transactions was 17 property deals totaling \$7.1 billion in enterprise value and three corporate deals with an aggregate value of approximately \$614.0 million.

During the first half of 2024, 15 large oil-weighted transactions accounted for \$1.7 billion in aggregate value and 11 large natural gas-weighted transactions made up the remaining \$250.0 million. This compares to the first half of 2023 when 12 large transactions were oil-weighted, with total enterprise value of \$7.4 billion and the remaining eight deals were weighted towards natural gas, with total enterprise value of \$259.3 million.

M&A activity to date in the second half of 2024 has reached approximately \$11.5 billion. Some of the notable transactions announced in the third and fourth quarters of 2024 to date were **Canadian Natural Resources Limited**’s planned acquisition of **Chevron Corporation**’s oil sands and Duvernay interests for approximately \$8.8 billion, **Tourmaline Oil Corp.**’s acquisition of publicly-held **Crew Energy Inc.** for approximately \$1.3 billion and **Schlumberger Limited** announcing the sale of its interests in the Palliser Block for approximately \$590.0 million. Canadian Natural’s proposed acquisition of Chevron’s assets is the highest valued deal since the first quarter of 2017 when Canadian Natural announced the acquisition of oil sands interests from both **Shell plc** and **Marathon Oil Corporation** for approximately \$12.6 billion. With volatile oil prices forecasted to remain for the foreseeable future, we will likely continue to see lower M&A activity for the remainder of 2024 and into early 2025.

*Written by Tom Pavic  
Sayer Energy Advisors  
Originally Appeared in the Daily Oil Bulletin on October 30, 2024*



# Sayer in the News...

## Financial Post Blockbuster \$8.8-Billion Chevron Deal Further Consolidates Canadian Control Over Oilsands

Meghan Potkins  
Published October 7, 2024

*The move continues a trend of consolidation of ownership in the Canadian oilsands*

In a blockbuster deal dwarfing all other transactions in the oilsands this year, Chevron Corp. has agreed to sell its stakes in Western Canada to Canadian Natural Resources Ltd. for US\$6.5 billion.

**The deal involving the sale of Chevron's 20 per cent interest in the Athabasca Oil Sands Project and 70 per cent stake in the Duvernay shale — both located in Alberta — is worth more than \$8.8 billion, easily doubling the approximately \$4 billion in M&A transactions announced in the Canadian oil industry since the start of the year, according to Sayer Energy Advisors, which tracks deal activity in upstream oil and gas.**

**"Oh, this is big," Sayer president Tom Pavic said. "More than double what we had in the first nine months of 2024."**

The deal eclipses Tourmaline Oil Corp.'s \$1.3-billion acquisition of Crew Energy Inc. in August as the largest Canadian oil transaction of the year and represents the largest transaction for the sector since Cenovus Energy Inc. acquired Husky Energy Inc. for \$3.8 billion in 2020, according to analytics firm Enervus Inc.

Chevron's move also continues a trend of consolidation of ownership in the Canadian oilsands, following the exit of other large international oil producers in recent years, including BP PLC, ConocoPhillips, Devon Energy Corp. and Shell PLC, further cementing control of Canada's heavy oil deposits in northern Alberta in the hands of a trio of local firms: CNRL, Cenovus and Suncor Energy Inc.

**"It's continuing that trend that we saw a few years ago regarding oilsands interests, for sure, by some of the international players divesting," Pavic said.**

Markets appeared favourable to CNRL's acquisition, with the company's share price rising following the announcement.

"The move reflects optimism about the oilsands from one of the companies that knows it best," said Heather Exner-Pirot, director of energy, natural resources and environment at the Macdonald-Laurier Institute, adding that CNRL has added significant production at very low risk to the company.

"Now, CNRL has an even bigger piece of a very good pie," she said.

CNRL said it expects production from the acquired assets to

average the equivalent of about 60,000 barrels of oil per day in 2025, along with about 179 million cubic feet per day of natural gas and 30,000 barrels per day of liquids.

The Calgary-based producer is financing the deal with a US\$4-billion term loan from the Bank of Nova Scotia and Royal Bank of Canada. The all-cash deal has an effective date of Sept. 1 and is expected to close during the fourth quarter, subject to regulatory approval.

CNRL on Monday also announced it will increase its quarterly dividend by seven per cent.

Chevron's departure from the oilsands was not entirely unexpected since the company had previously indicated a desire to sell more than US\$10-billion worth of assets during the next few years as it concentrates on growth in the Permian basin in the United States and its Tengiz field in Kazakhstan, where a US\$48.5-billion expansion project is nearing completion.

Market watchers have speculated that international players have exited Canada's oilsands sector in recent years due to the costly and emissions-intensive nature of the basin, fuelling concerns about the future viability of Canadian heavy oil exports, though the sector received a jolt last spring with the completion of the Trans Mountain pipeline expansion, which has opened Asian markets to Canadian crude.

"We expect Alberta's access to Asian markets to continue to grow," the press secretary for Alberta Energy Minister Brian Jean said in a statement. "Our premier has called on Alberta's energy industry to increase production and we intend to do so while making the most ethical and responsibly produced oil in the world. We are confident in the long-term future of the oil sands."

Previously, Canadian producers had to rely solely on exports to U.S. refineries, forcing steep discounts on their barrels of crude.

The Trans Mountain pipeline's expansion allowed 28 million more barrels of crude to be shipped to the country's West Coast from June to mid-September, almost two-thirds of which headed to China, India, South Korea and Brunei.

Oil companies, including CNRL, have largely been plowing their profits into shareholder returns rather than investing in exploration. Some analysts cautioned that the deal with Chevron could slow CNRL's promised payouts to investors.

"Although we do not doubt the company's ability to capture medium-term value through operational effectiveness, we do caution the return of capital profile timelines under forward strip," Travis Wood, an analyst at National Bank of Canada, said in a note.

Earlier this year, CNRL began putting 100 per cent of the company's free cash flow into dividends and share buybacks. Following the deal with Chevron, the company has revised its capital allocation strategy, with 60 per cent of free cash flow going to shareholder returns until a net debt level of \$15 billion is reached.



# Sayer in the News...

## Daily Oil Bulletin Tourmaline-Crew Deal Could Help Spur on More M&A

Paul Wells

Published September 3, 2024

**Tourmaline Energy Corp.**'s \$1.3-billion deal to acquire **Crew Energy Inc.** could be the precursor to increased western Canadian oilpatch merger and acquisition (M&A) activity, especially in resource plays like the Montney and Duvernay.

And while 2024 got off to a slow start on the M&A front with a weak first quarter, analysts contacted by *DOB Energy* say transaction levels have picked up in the second and third quarters with the Tourmaline-Crew deal being the largest year-to-date.

"I think there are a couple of things with M&A here. The fact that Tourmaline paid as much as they did [for Crew] with a 75 per cent premium and the fact that their stock went up the next day shows that acquirers can pay large premiums and not have to worry that they're, quote-unquote, overpaying," said **Jeremy McCrea**, managing director of **BMO Capital Markets'** energy equity research team.

"As a result, when you look at some of these junior and midcap names and how disconnected the current valuations are in the market versus what an operator would see in their undrilled resource and upside, ... you could start to see a little more interest in the smaller names, especially if they have quality inventory," he added.

"So that kind of leads to the next question: Who's next? So names in the Montney and Duvernay that are smaller cap potentially could be targets going forward here."

EvaluateEnergy		Top Montney Deals 2021 – 2024 (up to Aug. 31)			
Acquirer	Target	Brief Description	Announcement Date	Total Acquisition Cost (C\$ million)	Cost per barrel per day of production (C\$/bbl)
ARC Resources Ltd.	Seven Generations Energy Ltd.	ARC Resources Ltd. acquires Seven Generations Energy Ltd.	10/02/2021	4,700	27,838
Varen Inc.	Hammerhead Energy Inc.	Crescent Point Energy Corp. (now known as Varen Inc.) acquires Hammerhead Energy Inc.	06/11/2023	2,551	45,551
Whitecap Resources Inc.	XTO Energy Canada	Whitecap Resources Inc. acquires XTO Energy Canada from Imperial and ExxonMobil Canada	28/06/2022	1,700	52,577
Varen Inc.	Spartan Delta Corp.	Crescent Point Energy Corp. (now known as Varen Inc.) acquires Spartan Delta's oil and liquids-rich Montney assets in Alberta	28/03/2023	1,700	44,737
Tourmaline Oil Corp.	Crew Energy Inc.	Tourmaline Oil Corp. acquires Crew Energy Inc.	12/08/2024	1,334	44,479
Tourmaline Oil Corp.	Black Swan Energy Ltd.	Tourmaline Oil Corp. acquires Black Swan Energy Ltd.	11/06/2021	1,148	22,964
Strathcona Resources Ltd.	Pipestone Energy Corp.	Strathcona Resources Ltd. acquires Pipestone Energy Corp.	01/08/2023	1,041	29,599
Decarbonization Plus Acquisition Corp. IV	Hammerhead Resources Inc.	Decarbonization Plus Acquisition Corp. IV acquires Hammerhead Resources Inc.	26/09/2022	1,024	30,207
Canadian Natural Resources Ltd.	Storm Resources Ltd.	Canadian Natural Resources acquires Storm Resources Ltd.	09/11/2021	955	33,794
Spartan Delta Corp.	Velvet Energy Ltd.	Spartan Delta Corp. acquires Velvet Energy Ltd.	28/07/2021	754	36,609

**Ben Rye**, vice-president of **Sayer Energy Advisors**, said the Tourmaline acquisition of Crew and the generally positive market reaction could offer a welcomed, if somewhat unexpected, jolt to the western Canadian oil

and gas M&A market.

"The Tourmaline deal was a big one. It was interesting to see them spending \$1.3 billion on this one after buying Bonavista Energy Corporation for \$1.45 billion back in the fourth quarter of last year. So obviously they're continuing their consolidation and I think that's only going to continue," he said.

"It's interesting to actually see that the market supported that Crew transaction. A lot of times when you see these kinds of deals, that's not the case."

McCrea said he wasn't necessarily surprised that Tourmaline offered the premium it did for Crew.

"No, I wasn't. I've always said beauty is in the eye of the beholder. It depends on what kind of valuation metric you want to look at: EV [enterprise value] to EBITDA; was the gas price used? And I think a lot of people would maybe say that the gas prices that the market is kind of looking at here right now are probably too low for the long term," he said.

"But with a lot of these midcap names, valuation is in the undrilled acreage and not so much the current cash flow. And that's almost how these junior names need to be valued at. So, that's where there continues to still be a disconnect in terms of the potential of what the companies are worth and how a lot of investors would look at it on just a cash flow basis," McCrea added.

**Rye wasn't surprised that Crew put itself on the block.**

"In my mind, Crew has been preparing to sell for quite some time. They've done some smaller transactions in the past couple of years to sort of prepare themselves for a sale. So it seems like that was only a matter of time," he said.

EvaluateEnergy		Top Duvernay Deals 2021 – 2024 (up to Aug. 31)			
Acquirer	Target	Brief Description	Announcement Date	Total Acquisition Cost (C\$ million)	Cost per barrel per day of production (C\$/bbl)
Whitecap Resources Inc.	XTO Energy Canada	Whitecap Resources Inc. acquires XTO Energy Canada from Imperial and ExxonMobil Canada	28/06/2022	1,700	52,577
Tourmaline Oil Corp.	Bonavista Energy Corp.	Tourmaline Oil Corp. acquires Bonavista Energy Corp.	16/10/2023	1,450	24,167
Varen Inc.	Shell Canada Energy	Crescent Point Energy Corp. (now known as Varen Inc.) acquires Shell Canada Energy's Duvernay shale light oil position in Alberta	17/02/2021	909	30,300
Varen Inc.	Paramount Resources Ltd.	Crescent Point Energy Corp. (now known as Varen Inc.) acquires certain Kaybob Duvernay assets from Paramount Resources Ltd.	06/12/2022	375	80,357
KiewitNorth Energy Corp., Distinction Energy Corp.	Ovintiv Inc.	KiewitNorth Resources Corp. and Distinction Energy Corp. acquire interests in the Simonette area of northwest Alberta from Ovintiv Inc.	17/02/2021	320	32,000
Cygnit Energy Ltd.	Athabasca Oil Corp., Murphy Oil Corp.	Cygnit Energy Ltd. acquires light oil assets from Athabasca Oil Corp. and Murphy Oil Corp.	31/07/2023	310	65,957
Varen Inc.	Unspecified	Crescent Point Energy Corp. (now known as Varen Inc.) acquires additional lands in the Kaybob Duvernay in Q3 2022	26/10/2022	87	Undisclosed
Astara Energy Corp.	Blackspur Oil Corp.	Astara Energy Corp. acquires Blackspur Oil Corp. from Calma Energy Ltd.	05/01/2024	75	18,587
Paramount Resources Ltd.	Unspecified	Paramount Resources Ltd. acquires additional Duvernay lands and production	03/08/2022	69	40,294

**Mark Young**, senior oil and gas analyst with *Evaluate Energy*, said that in "terms of pure dollar value" of Montney

(continued on page 7)



## Sayer in the News...

(continued from page 6)

activity since the beginning of 2021, the February 2021 deal that saw **ARC Resources Ltd.** acquire **Seven Generations Energy Ltd.** for approximately \$8.1 billion, inclusive of net debt, remains the largest.

"That's despite the big mergers announced since August of last year such as **Strathcona Resources Ltd.-Pipestone Energy Corp.**, **Veren Inc.** [formerly **Crescent Point Energy Corp.**]-**Hammerhead Energy Inc.** and **Tourmaline-Crew**," he said.

"Veren's transformation into a Montney player stands out among more recent activity, with over C\$4 billion spent on **Spartan Delta Corp.** assets and **Hammerhead Energy**."

### M&A market outlook

Sayer's Rye believes current market conditions are supportive of increased M&A activity, especially on the buyer's side of the ledger.

"These larger deals could be in the works for a couple quarters and you won't necessarily see them right away. Another thing I would say is that in those resource plays it makes a lot of sense to be buying in the current market because you're going to be planning on developing the play for a long time," he said.

"Just the way the market is right now, it makes a lot of sense to be a buyer ... you see a lot of transformative transactions in certain companies lately."

As an example, Rye pointed to the path Veren has chosen. Aside from bulking up in the Montney, as Young mentioned, the company has also acquired a huge asset base in the Duvernay while unloading some legacy assets in Saskatchewan.

"It started a couple of years ago, I guess, with **Crescent Point**, now **Veren**, buying **Duvernay** assets at **Kaybob** from **Repsol** and they then picked up assets

from **Paramount [Resources Ltd.]** in **Kaybob**, as well. And then they went on to sell some of their other stuff in Saskatchewan to **Spartan Delta**," Rye said.

"You see some companies completely transforming like that. So I think if their focus is now going to be **Duvernay** they're going to pick up as much as they can to solidify that as a core area. On the whole, I would not be surprised at all if we saw more movement in the **Duvernay**."

Rye expects that overall western Canadian M&A activity will continue to recover from 2024's modest start.

"It definitely got off to a slower start this year but things are looking up. All it takes is one big deal like **[Tourmaline-Crew]** to kind of turn things around," he said.

"In the first quarter, we've got 11 deals with a total enterprise value that we [Sayer] calculated at just over \$380 million. Then what we saw in the second quarter was an enterprise value of \$1.5 billion from what we had as 15 large deals. What we're using there is anything over \$5 million," Rye added.

"So \$1.5 billion in the second quarter and we're almost at that in the third quarter with just that **Tourmaline-Crew** deal."

BMO's McCrea categorized Canadian oil and gas M&A so far this year as "surprisingly slow" relative to what's occurred in the U.S, which has seen a fair share of "mega-mergers" and other large-scale transactions.

That said, he's of the mind things will continue to pick up north of the border.

"I think with the stability in oil prices, that likely precipitates some bid-ask spreads coming together. And I think just seeing this **Tourmaline** deal and the premium they paid could really help excite some of the acquirers a little bit more here for some of the midcap names because I think the midcap names are somewhat hesitant to sell," McCrea said.

*Merry Christmas and best wishes  
in the New Year!*


*From the Sayer Team*



# Recent Transactions Completed by Sayer Energy Advisors

*This announcement appears as a matter of record only.*

All of the issued and outstanding shares of




have been sold

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The undersigned acted as financial advisor to Clampett for this transaction.

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July 2024

*This announcement appears as a matter of record only.*


**THE ESTATE OF ELEANOR E. SIDDALL**

has sold all of its royalty interests  
in the Virden area of Manitoba

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The undersigned acted as financial advisor  
to the Estate of Eleanor E. Siddall for this transaction.

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July 2024

*This announcement appears as a matter of record only.*



has sold its interests in the Grande Prairie area of Alberta  
to



**Canadian Natural**

---


The undersigned acted as financial advisor  
to Prairie Thunder for this transaction.

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July 2024

*This announcement appears as a matter of record only.*



has acquired certain interests  
in the Drayton Valley area of Alberta  
from




**VERMILION  
ENERGY**

---

The undersigned acted as financial advisor  
to Bitstone for this transaction.

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August 2024

*This announcement appears as a matter of record only.*


**Richlyn Energy Ltd.**

has sold its interests in the  
Caroline & Harmattan areas of Alberta

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The undersigned acted as financial advisor to Richlyn for this transaction.

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August 2024

*This announcement appears as a matter of record only.*



has sold its interests in the Steele area of Alberta  
to



**Clear North  
ENERGY CORP.**

---

The undersigned acted as financial advisor to Silverleaf for this transaction.

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August 2024

*This announcement appears as a matter of record only.*



has sold a portion of its interests  
in the Claresholm area of Alberta  
to



**New West Data**

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The undersigned acted as financial advisor to Silverleaf for this transaction.

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August 2024

*This announcement appears as a matter of record only.*


**Westward Ho Resources Inc.**

has sold its interests in the Caroline area of Alberta

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The undersigned acted as financial advisor  
to Westward Ho for this transaction.

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August 2024

*This announcement appears as a matter of record only.*

**Outpost Energy Ltd.**

has sold its interests in the Rainbow Lake area of Alberta  
to




**CABOT  
ENERGY INC.**

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The undersigned acted as financial advisor to Outpost for this transaction.

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September 2024

*This announcement appears as a matter of record only.*



has sold its interests in the Carbon  
and Coyote areas of Alberta  
to



**Alchemy**

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The undersigned acted as financial advisor to Barrel for this transaction.

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October 2024

*This announcement appears as a matter of record only.*



has sold a portion of its interests  
in the Berland River area of Alberta  
to



**DEL Canada GP Ltd.**

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The undersigned acted as financial advisor  
to Prairie Thunder for this transaction.

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October 2024