



# OVERVIEW INFORMATION

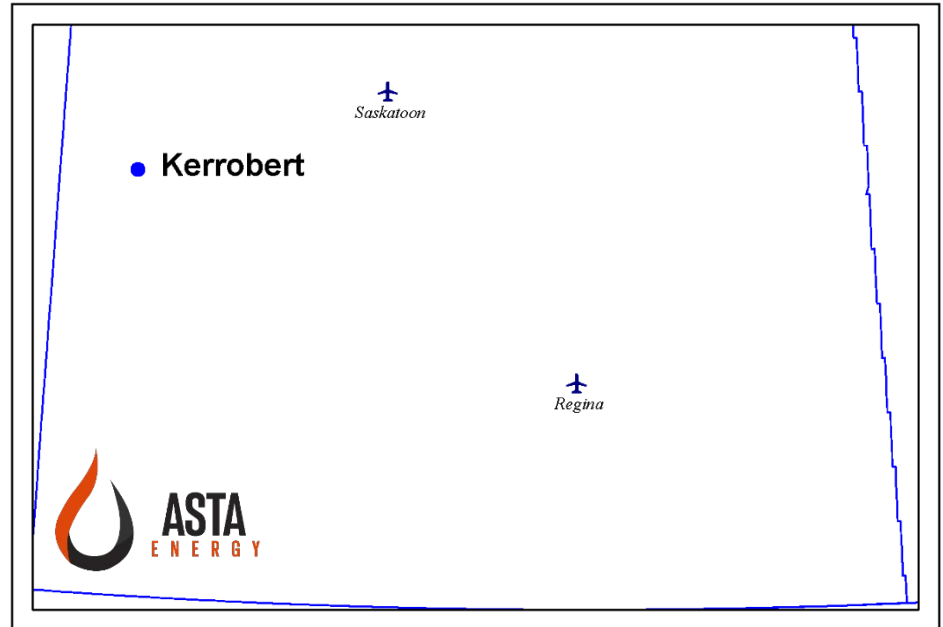
**Property Divestiture:  
Kerrobert, Saskatchewan  
Thermal Oil Project**



Sayer Energy Advisors has been engaged to assist Asta Energy Ltd. (“Asta” or the “Company”) with the sale of its thermal oil interests located in the Kerrobert area of Saskatchewan (the “Property”).

The Property consists of a 100% working interest in approximately 15 LSDs over two sections of land which was leased for petroleum and natural gas rights in the Mannville Group.

The Property is prospective for thermal oil development in the Waseca Formation of the Upper Mannville Group.



Asta believes there is approximately 30 million barrels of thermal exploitable oil in place at Kerrobert. There is no current production and no liability associated with the Property.

Further details on the Property are available in the virtual data room for parties that execute a confidentiality agreement.

**PROCESS & TIMELINE**

Sayer Energy Advisors is accepting cash offers to acquire the Property until **12:00 pm on Thursday June 15, 2023.**

Timeline	
Week of May 8, 2023	Preliminary Information Distributed
Week of May 8, 2023	Data Room Opens
<b>June 15, 2023</b>	<b>Bid Deadline</b>
June 1, 2023	Effective Date
June 2023	Closing Date

*Sayer Energy Advisors does not conduct a “second-round” bidding process; the intention is to attempt to conclude a transaction with the party submitting the most acceptable proposal at the conclusion of the process.*

**Sayer Energy Advisors is accepting cash offers from interested parties until noon on Thursday, June 15, 2023.**

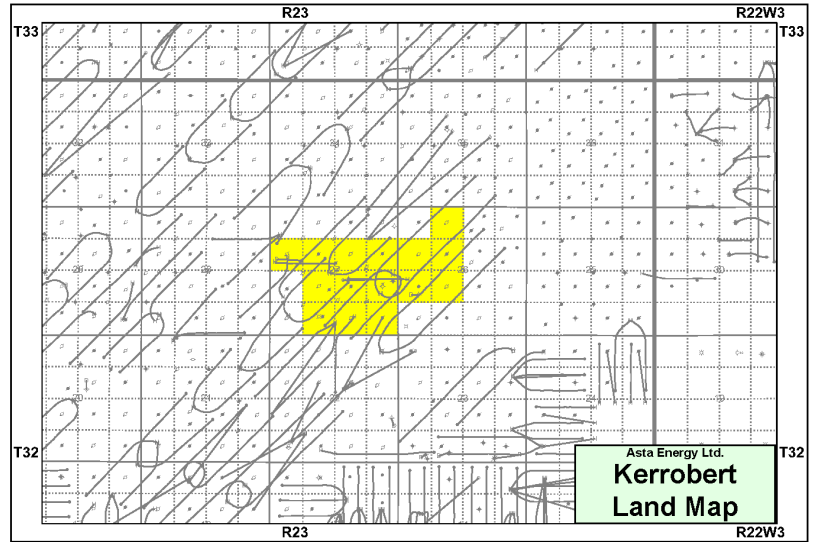


## Kerrobert Property

## Township 32, Range 23 W3

The Property consists of three leases on 15 LSDs of land in Sections 26 & 27-032-23W3 with a 100% working interest. The leases are in primary term until June 2024 and September 2028.

The Property is 100% Freehold land. The lands in Section 26 have a 5% lessor royalty for the first six years of production for each enhanced oil recovery well, followed by 13% through to abandonment. The lands in Section 27 have a 5% lessor royalty for the first five years of production for each Cyclic Steam Stimulation ("CSS") / Steam Assisted Gravity Drainage ("SAGD") well, followed by 17.5% for the remaining life of the well.



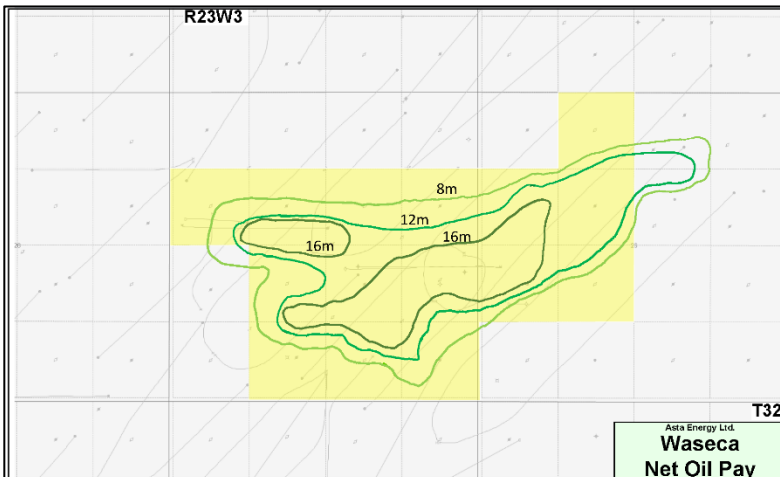
There is no production and no liability associated with the Property. The Property is prospective for enhanced oil recovery through thermal oil development in the Waseca Formation of the Upper Mannville Group.

The Property is located on Freehold farmland with low environmental risk and extensive infrastructure in the area. There is an existing gravel road connecting to Highway 31 and the SaskPower grid is nearby. The Property is located 15 km from the Ermine Power Station and is in close proximity to the TransGas main natural gas line.

There are multiple options for the sale of oil from the Property. The Property is located approximately 15 km from the Kerrobert Terminal and 30 km from the Unity Terminal. Raw water is available to be sourced from multiple formations in the area.

## Waseca Geology

There are active thermal projects in the region including the adjacent Kerrobert West project of **Baytex Energy Corp.** which is situated in the same Waseca channel as the Property. The geological and reservoir conditions of the Property are comparable to several producing thermal assets in the Lloydminster area such as Dee Valley, Edam, Meota, Pikes Peak and Vawn.



Asta has identified net pay in the Waseca Formation of eight metres and above in a continuous oil zone based on trade 3D seismic and multiple well controls on its lands. The offsetting map shows the general net oil pay thickness of the Waseca reservoir associated with the Property.

The Company believes the net pay thickness and reservoir quality makes the Property a strong candidate for a SAGD project with expected final recovery of up to 65%, and possibly upwards of 70% to 80%.

Additional mapping, seismic interpretations and a technical presentation will be made available to parties that execute a confidentiality agreement.

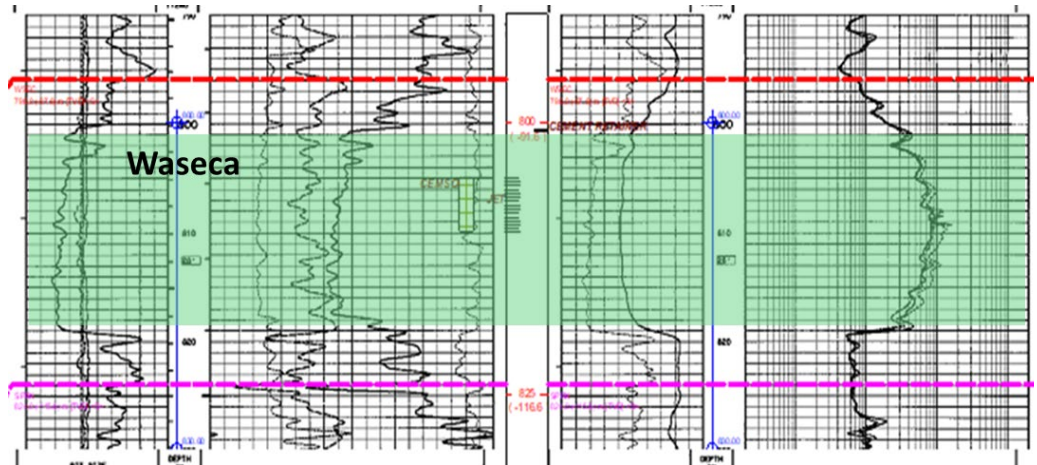




Asta has identified the high-quality of the Waseca reservoir at Kerrobert by the following parameters. Average porosity of 32%, 85% oil saturation, and average permeability of 6 Darcies. The oil viscosity is approximately 8,250 cp at a reservoir temperature of approximately 30°C.

The offsetting well logs from the well *Beaumont Kerrobert D8 141/08-27-032-23W3* show the Waseca reservoir at Kerrobert.

**Beaumont Kerrobert D8 141/08-27-032-23W3 – Waseca Formation Type Log**



Asta has 19 SAGD well pairs planned in the reservoir with effective pay thickness of over 10 metres. The development plan begins with three initial well pairs, sustained by drilling future SAGD well pairs.

The reservoir is also suitable for future development of CSS where pay thickness is less than eight metres. The CSS is in addition to the Company's existing development and economic evaluation.

The planned central production facility would include a battery with capacity of 2,800 bbl/d of oil and steam injection capability of 1,248 m<sup>3</sup>/d.

Further details of the Company's economic evaluation of the SAGD project are available in the virtual data room for parties that execute a confidentiality agreement.

**Kerrobert Reserves**

*Chapman Petroleum Engineering Ltd.* ("Chapman") prepared an independent reserves evaluation of the Property (the "Chapman Report"). The Chapman Report is effective April 30, 2022 using Chapman's May 1, 2022 forecast pricing.

Chapman estimates that, as of April 30, 2022, the *Kerrobert* property contained remaining proved plus probable reserves of 20.5 million barrels of heavy oil with an estimated net present value of \$338.4 million using forecast pricing at a 10% discount.

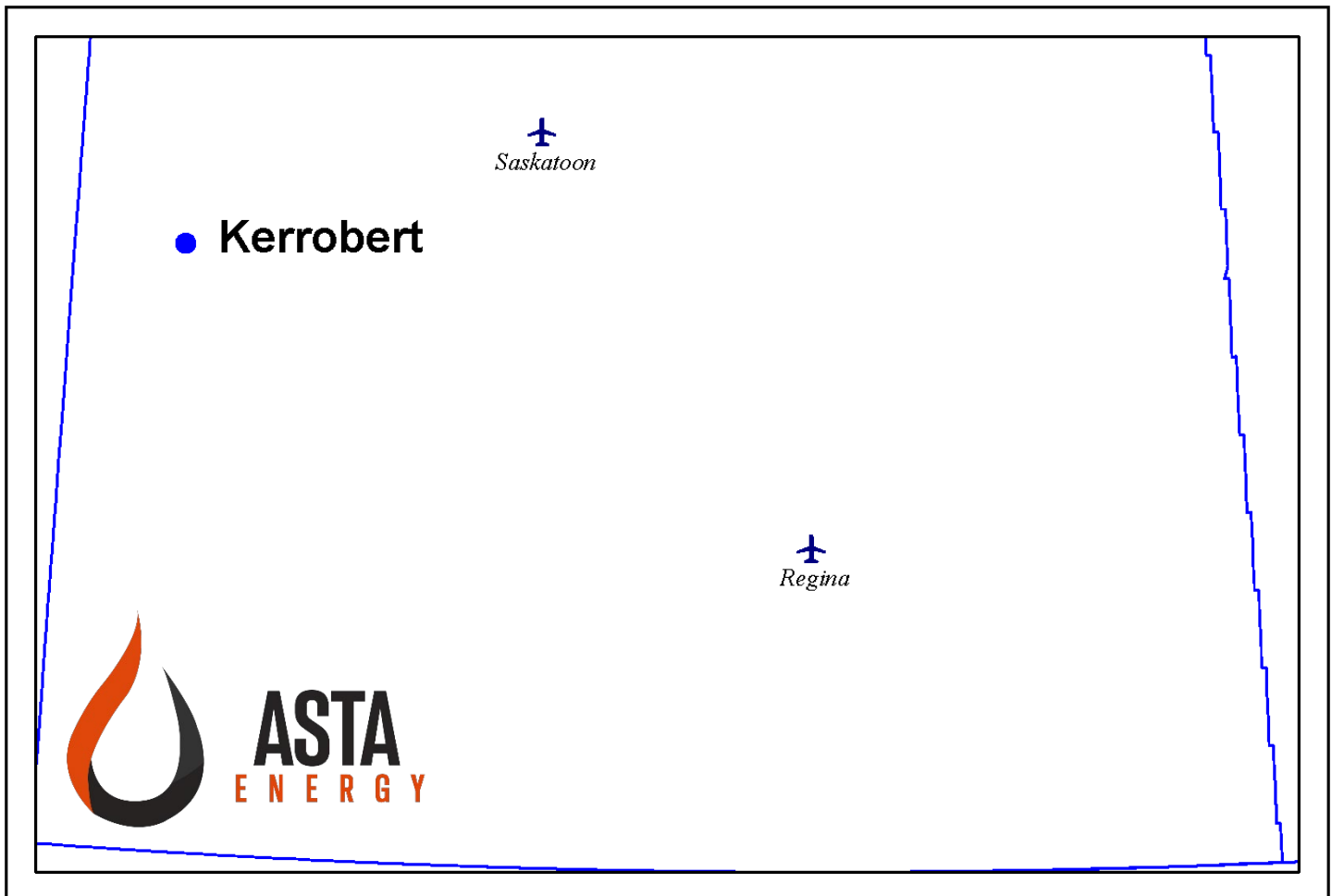
Chapman Petroleum Engineering Ltd. as of April 30, 2022							
	COMPANY GROSS RESERVES				PV BEFORE TAX		
	Oil Mbbbl	Natural Gas MMcf	Ngl Mbbbl	Total MBOE	5%	10%	15%
Proved Developed Producing	0	0	0	0	\$0	\$0	\$0
Proved Non-Producing/Undeveloped	12,450	0	0	12,450	\$362,390	\$225,835	\$146,581
<b>Total Proved</b>	<b>12,450</b>	<b>0</b>	<b>0</b>	<b>12,450</b>	<b>\$362,390</b>	<b>\$225,835</b>	<b>\$146,581</b>
Probable	8,070	0	0	8,070	\$230,514	\$112,535	\$61,476
<b>Total Proved Plus Probable</b>	<b>20,520</b>	<b>0</b>	<b>0</b>	<b>20,520</b>	<b>\$592,904</b>	<b>\$338,370</b>	<b>\$208,057</b>

The reserve estimates and forecasts of production and revenues for the Company's properties were prepared within the context of the Company's year-end evaluation, which was an evaluation of all of the Company's properties in aggregate. Extraction and use of any individual property evaluation outside of this context may not be appropriate without supplementary due diligence. Values in the "Total" row may not correspond to the total of the values presented due to rounding.





# Asta Energy Ltd. Property Divestiture Spring 2023



## CONTACT

Parties wishing to receive access to the confidential information with detailed information relating to this opportunity should execute the confidentiality agreement which is available on Sayer Energy Advisors' website ([www.sayeradvisors.com](http://www.sayeradvisors.com)) and return one copy to Sayer Energy Advisors by courier, email ([brye@sayeradvisors.com](mailto:brye@sayeradvisors.com)) or fax (403.266.4467).

Included in the confidential information is the following: summary land information, the Chapman Report and other relevant technical information.

To receive further information on the Property please contact Ben Rye, Tom Pavic or Sydney Birkett at 403.266.6133.



## Overview

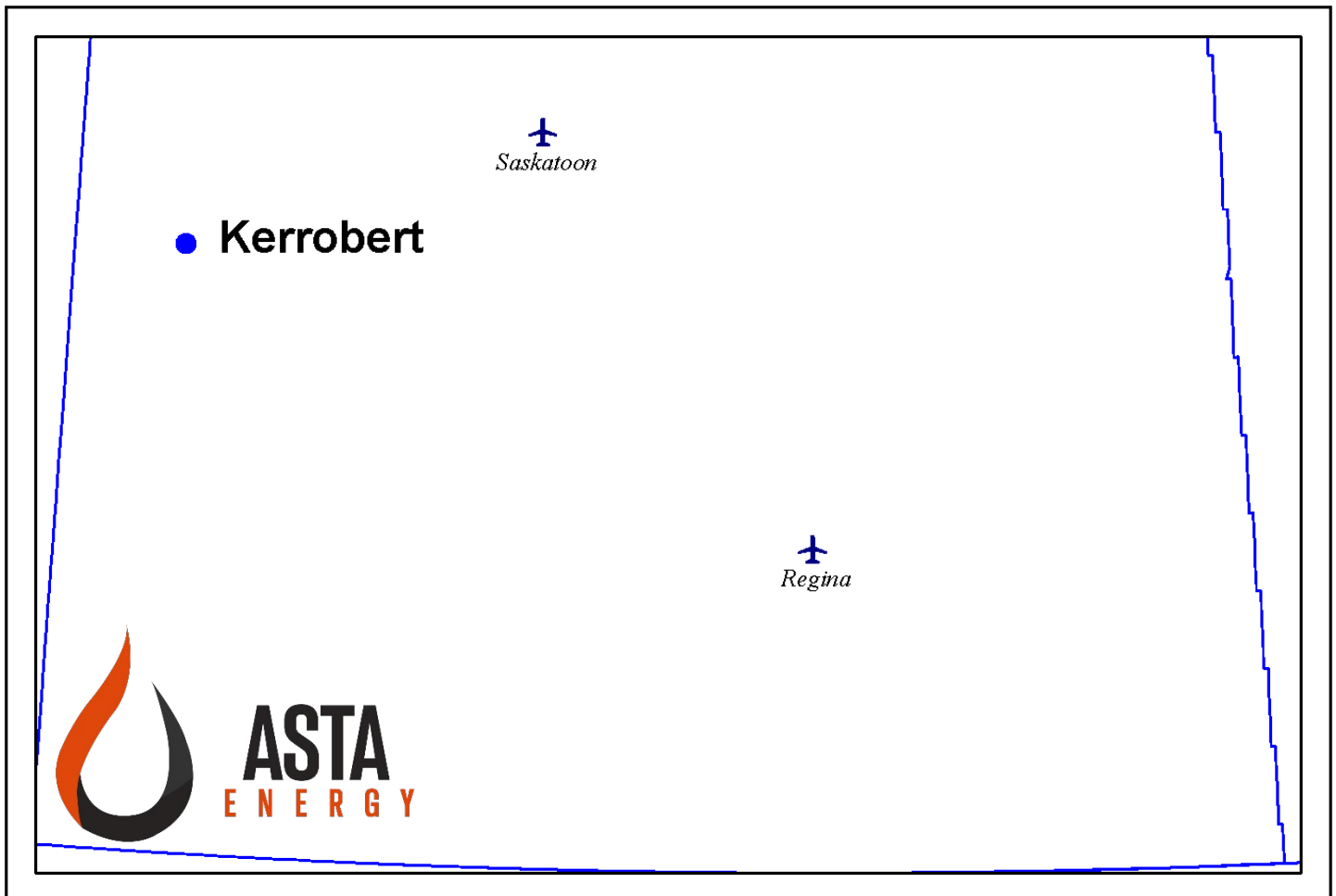
**Sayer Energy Advisors** has been engaged to assist **Asta Energy Ltd.** (“Asta” or the “Company”) with the sale of its thermal oil interests located in the *Kerrobot* area of Saskatchewan (the “Property”).

The Property consists of a 100% working interest in approximately 15 LSDs over two sections of land which was leased for petroleum and natural gas rights in the Mannville Group.

The Property is prospective for thermal oil development in the Waseca Formation of the Upper Mannville Group. Asta believes there is approximately 30 million barrels of thermal exploitable oil in place at *Kerrobot*. There is no current production and no liability associated with the Property.

Further details on the Property are available in the virtual data room for parties that execute a confidentiality agreement.

### Overview Map Showing Location of the Property







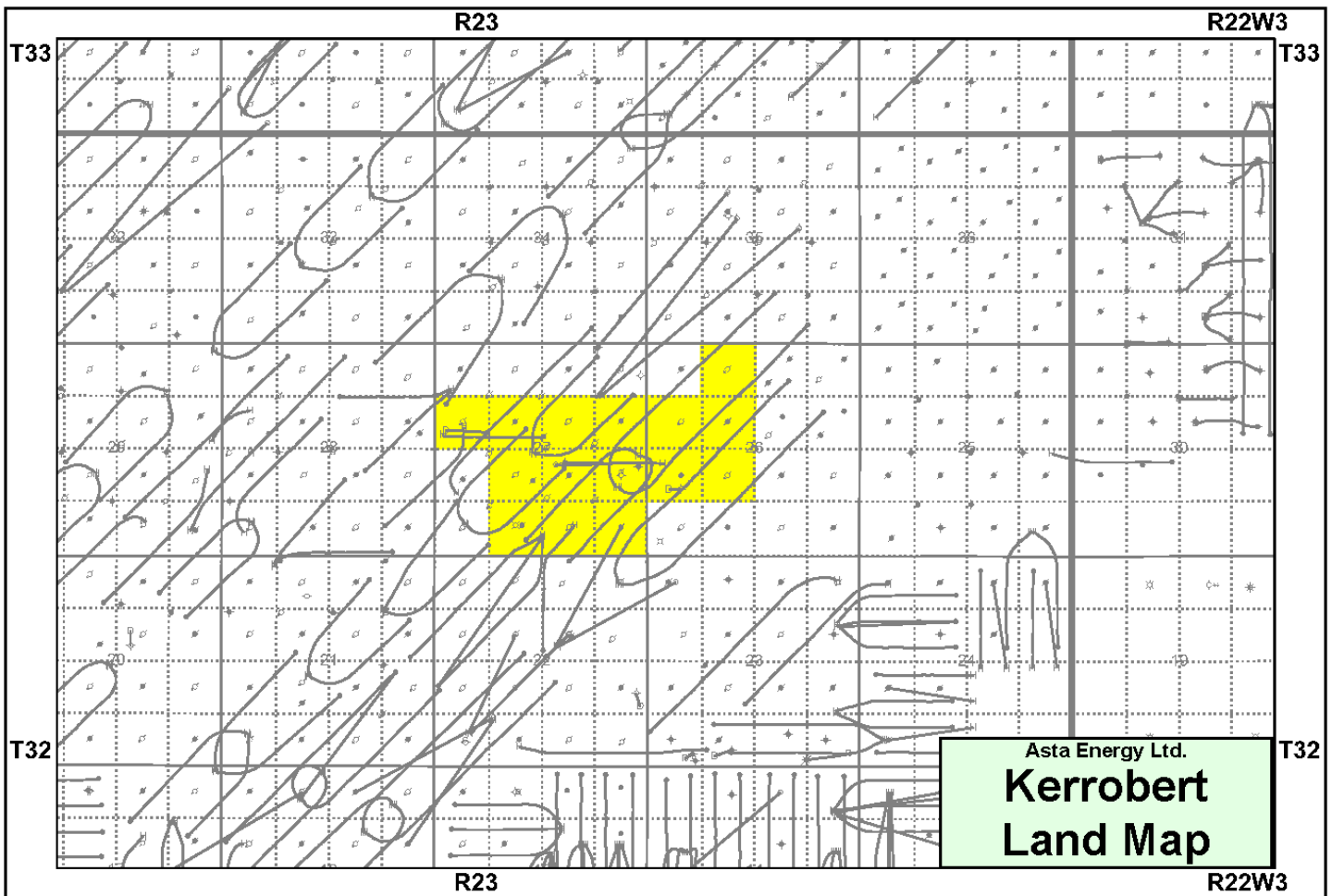
### **Kerrobot Property**

### **Township 32, Range 23 W3**

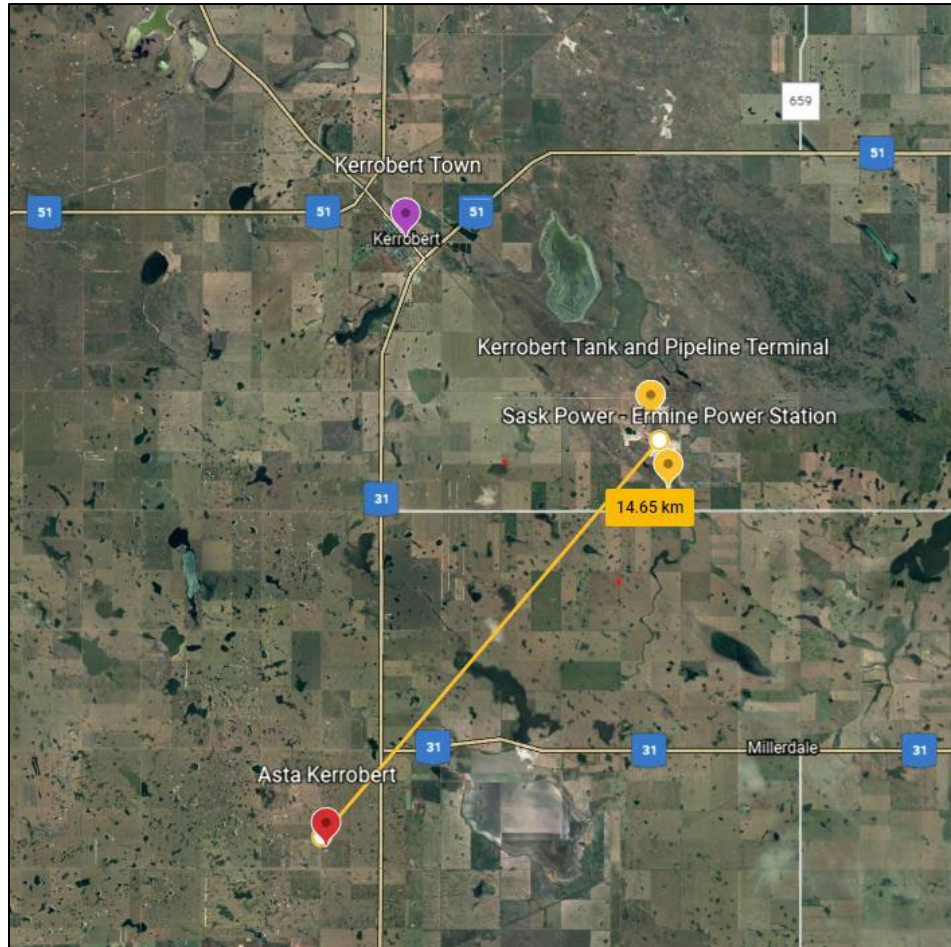
The Property consists of three leases on 15 LSDs of land in Sections 26 & 27-032-23W3 with a 100% working interest. The leases are in primary term until June 2024 and September 2028.

The Property is 100% Freehold land. The lands in Section 26 have a 5% lessor royalty for the first six years of production for each enhanced oil recovery well, followed by 13% through to abandonment. The lands in Section 27 have a 5% lessor royalty for the first five years of production for each Cyclic Steam Stimulation (“CSS”) / Steam Assisted Gravity Drainage (“SAGD”) well, followed by 17.5% for the remaining life of the well.

There is no production from the Property. The Property is prospective for enhanced oil recovery through thermal oil development in the Waseca Formation of the Upper Mannville Group.



The Property is located on Freehold farmland with low environmental risk and extensive infrastructure in the area. There is an existing gravel road connecting to Highway 31 and the SaskPower grid is nearby. The Property is located 15 km from the Ermine Power Station and is in close proximity to the TransGas main natural gas line.



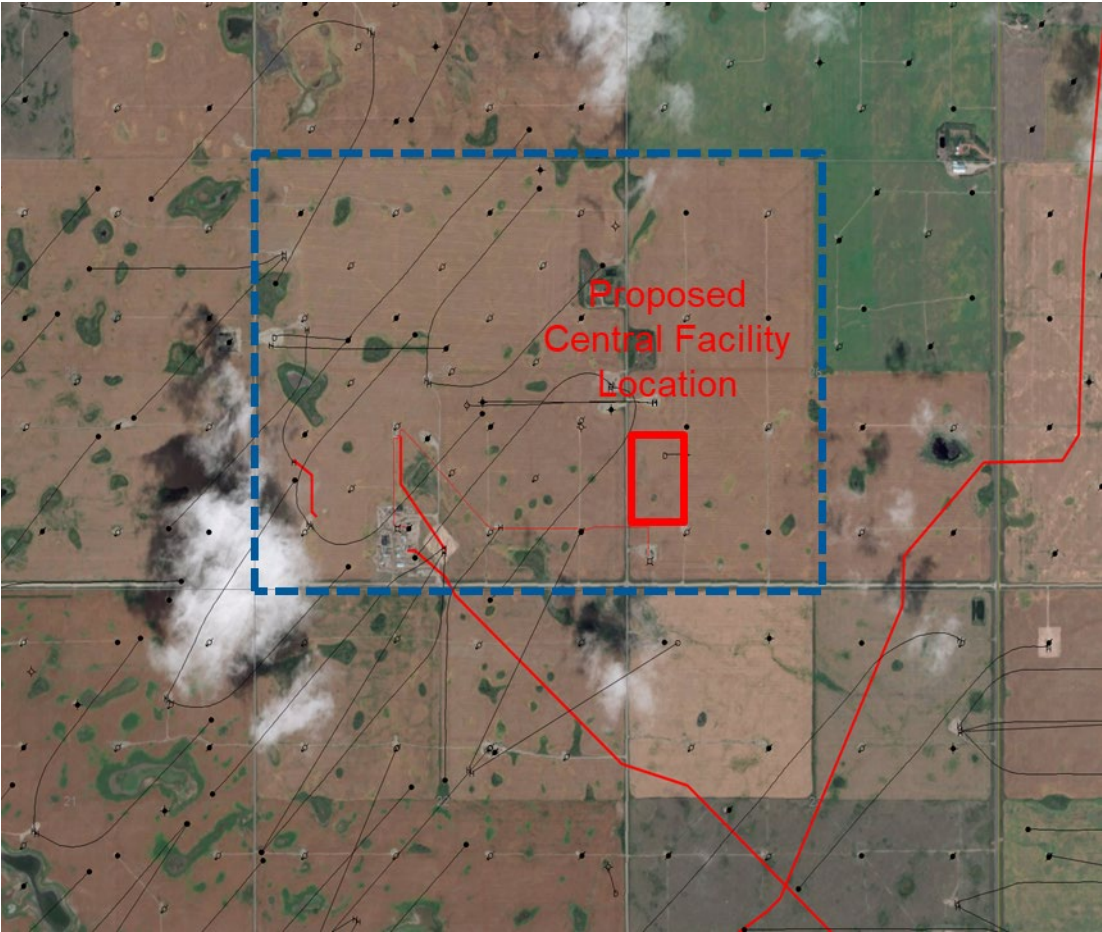
There are multiple options for the sale of oil from the Property. The Property is located approximately 15 km from the Kerrobert Terminal and 30 km from the Unity Terminal.

Raw water is available to be sourced from multiple formations in the area.





Asta has its proposed central facility location and first pad surface lease secured.

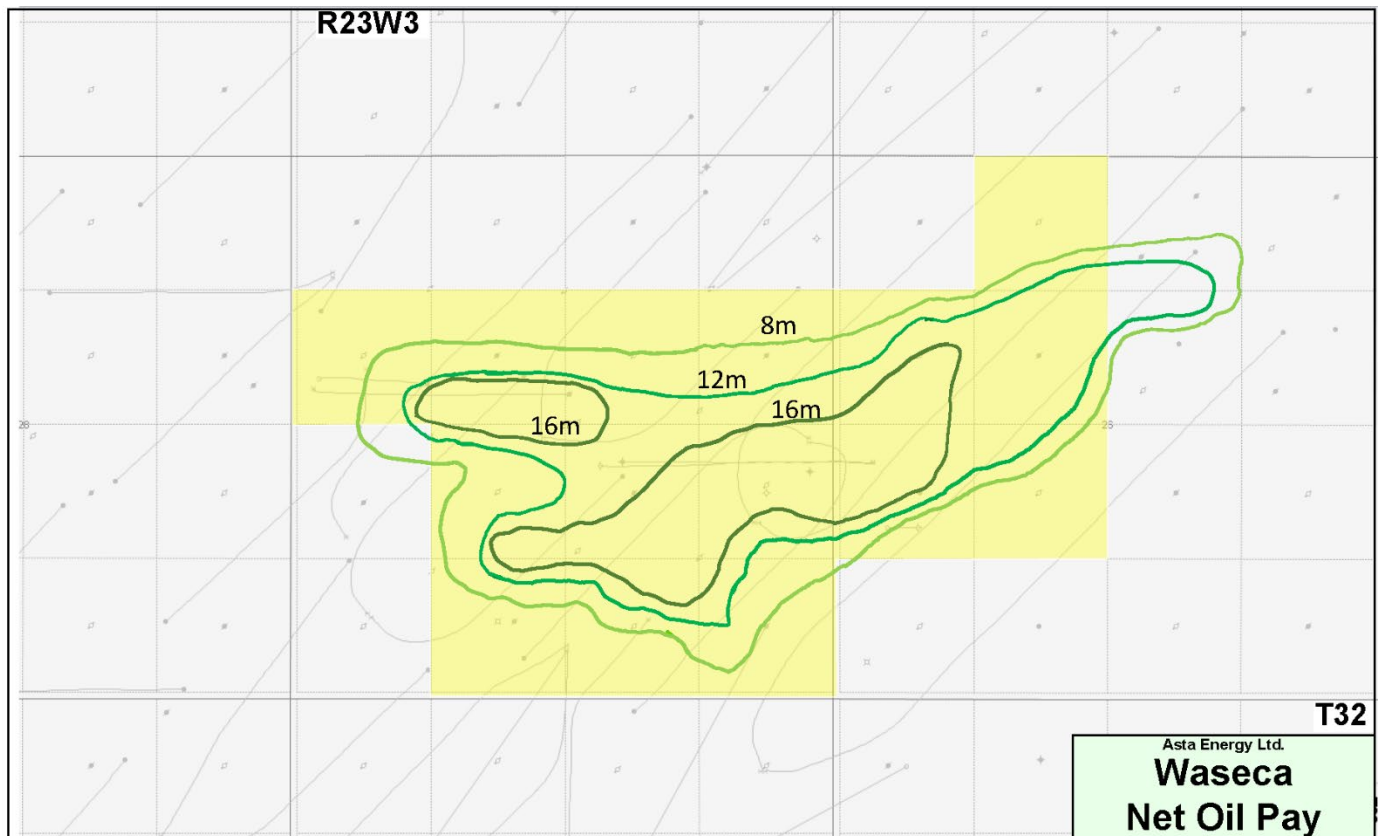


## Waseca Geology

There are active thermal projects in the region including the adjacent Kerrobert West project of **Baytex Energy Corp.** which is situated in the same Waseca channel as the Property. The geological and reservoir conditions of the Property are comparable to several producing thermal assets from the Lloydminster area such as Dee Valley, Edam, Meota, Pikes Peak and Vawn.

Asta has identified net pay in the Waseca Formation of eight metres and above in a continuous oil zone based on trade 3D seismic and multiple well controls on its lands. The following map shows the general net oil pay thickness of the Waseca reservoir associated with the Property.

**Kerrobert Waseca Net Oil Pay Map**



The Company believes the net pay thickness and reservoir quality makes the Property a strong candidate for a SAGD project with expected final recovery of up to 65%, and possibly upwards of 70% to 80%.

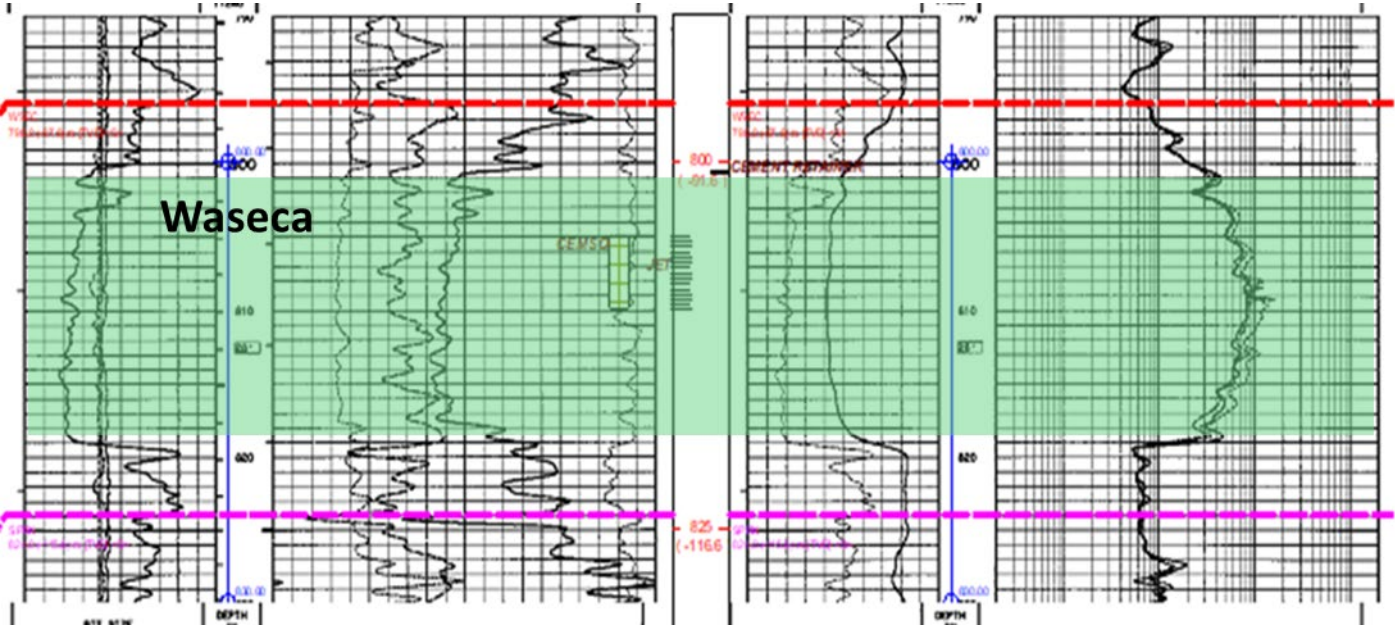
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Asta has identified the high-quality of the Waseca reservoir at *Kerrobert* by the following parameters. Average porosity of 32%, 85% oil saturation, average permeability of 6 Darcies. The oil viscosity is approximately 8,250 cp at a reservoir temperature of approximately 30°C.

The following well logs from the well *Beaumont Kerrobert D8 141/08-27-032-23W3* show the Waseca reservoir at *Kerrobert*.

**Beaumont Kerrobert D8 141/08-27-032-23W3 - Waseca Formation Type Log**

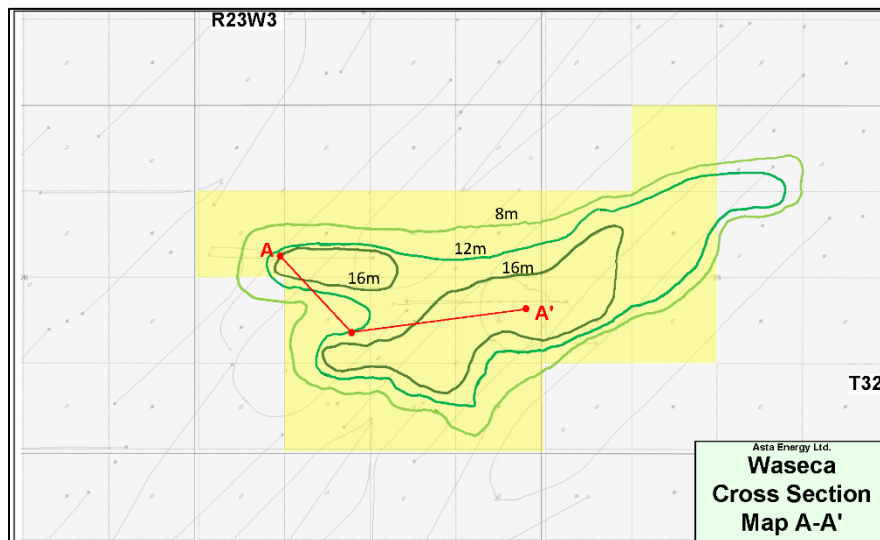
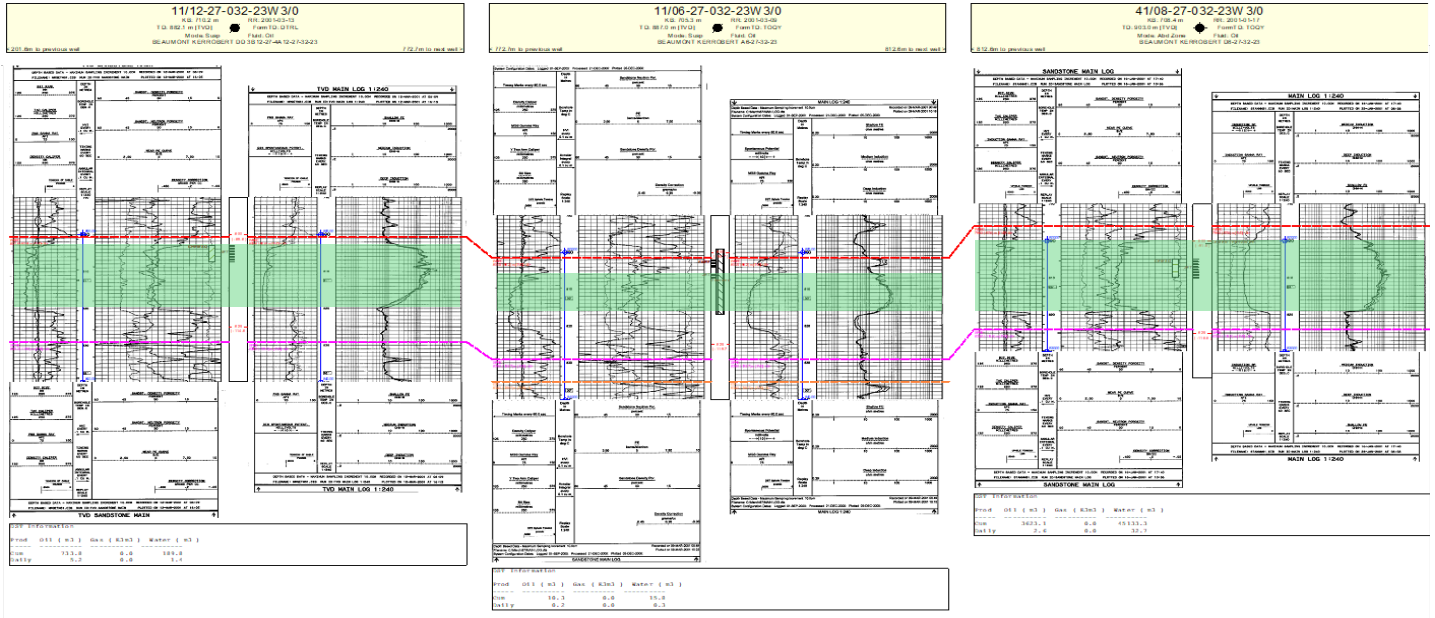






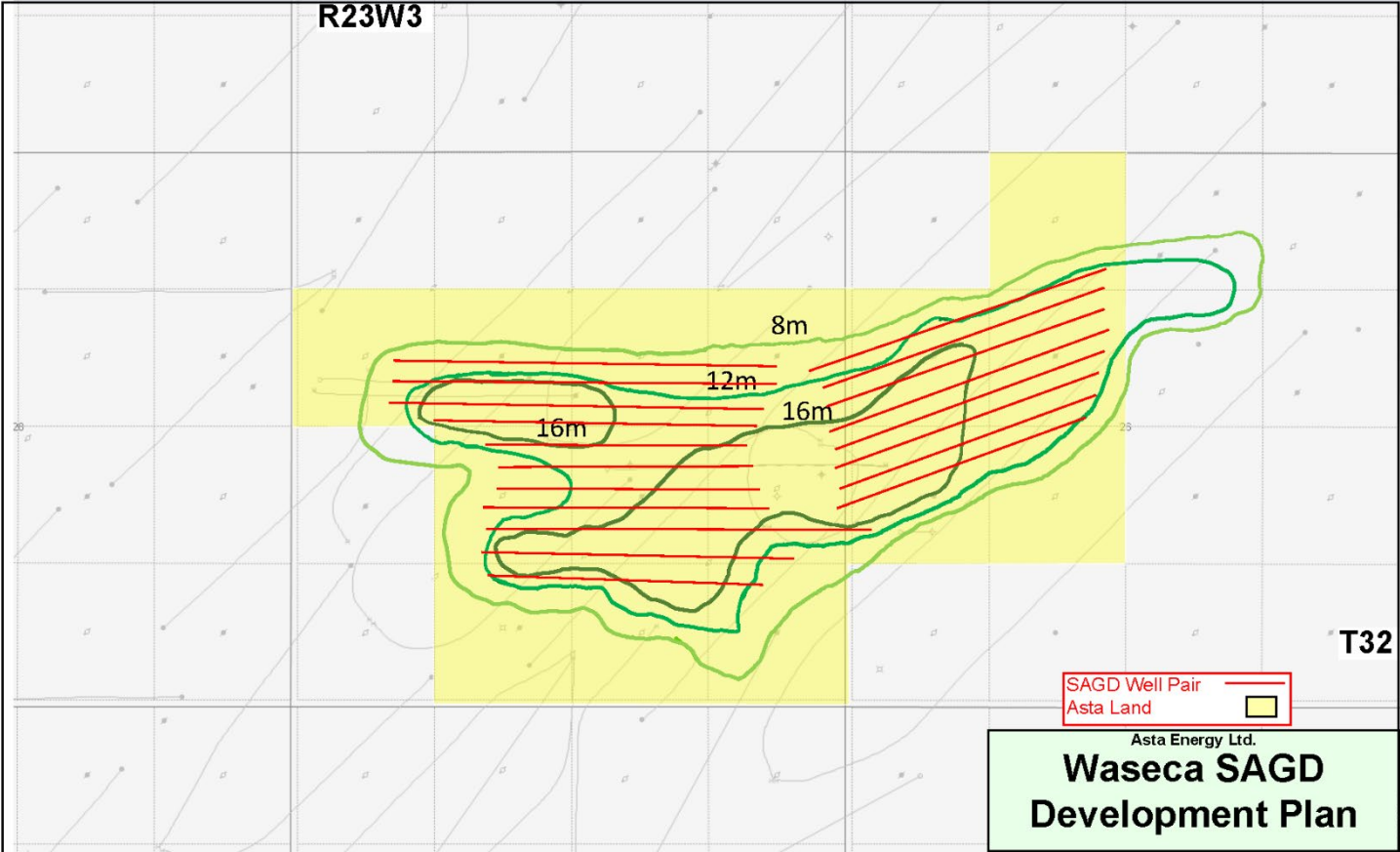
The following cross section shows the Waseca sand in the incised valley system. At Kerrobert, the Waseca reservoir has thick, continuous oil pay suitable for SAGD development.

### Kerrobert Waseca Cross Section A-A'





Asta has 19 SAGD well pairs planned in the reservoir with effective pay thickness of over 10 metres. The development plan begins with three initial well pairs, sustained by drilling future SAGD well pairs.



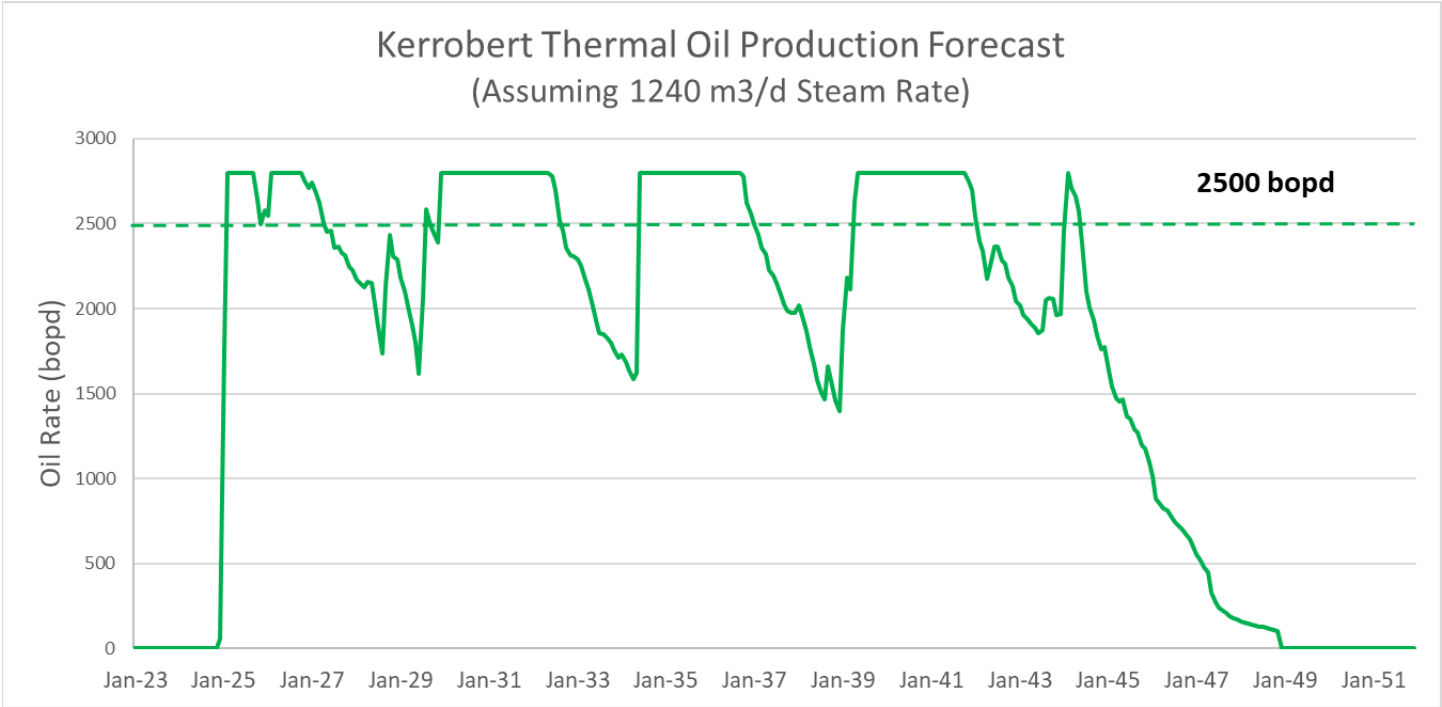
The reservoir is also suitable for future development of CSS where pay thickness is less than eight metres. The CSS is in addition to the Company's existing SAGD development and economic evaluation.







The following chart shows the projected full production life of the project spanning over more than 20 years with estimated production maintained between approximately 2,000-2,800 barrels of oil per day.



The planned central production facility could include a battery with capacity of 2,800 bbl/d of oil and steam injection capability of 1,248 m<sup>3</sup>/d.

Further details of the Company's economic evaluation of the SAGD project are available in the virtual data room for parties that execute a confidentiality agreement.



## Kerrobot Reserves

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	Chapman Petroleum Engineering Ltd. as of April 30, 2022				PV BEFORE TAX		
	COMPANY GROSS RESERVES				5%	10%	15%
	Oil	Natural Gas	Ngl	Total			
	Mbbl	MMcf	Mbbl	MBOE		(000s)	
<b>Proved Developed Producing</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Proved Non-Producing/Undeveloped	12,450	0	0	12,450	\$362,390	\$225,835	\$146,581
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The reserve estimates and forecasts of production and revenues for the Company's properties were prepared within the context of the Company's year-end evaluation, which was an evaluation of all of the Company's properties in aggregate. Extraction and use of any individual property evaluation outside of this context may not be appropriate without supplementary due diligence. Values in the "Total" row may not correspond to the total of the values presented due to rounding.

## Kerrobot Wells

The Company does not have ownership in any wells associated with the Property.

RECIPIENT COMPANY LETTERHEAD

\_\_\_\_\_, 20\_\_\_\_

**Asta Energy Ltd.**  
**c/o Sayer Energy Advisors**  
**1620, 540 - 5<sup>th</sup> Avenue SW**  
**Calgary, Alberta T2P 0M2**

Attention: Ben Rye

Re: **Confidentiality Agreement**  
**Kerrobert, Saskatchewan Property Divestiture**

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\_\_\_\_\_ (“Recipient”) has expressed an interest in the purchase of certain oil and natural gas interests owned by Asta Energy Ltd. (“Asta”) in the Kerrobert area of Saskatchewan (the “Property”). Asta is prepared to provide the Recipient access to certain information relating to the Property, including but not limited to land schedules, geological and geophysical information and other documentation (“Confidential Information”). In consideration of Asta providing the Confidential Information, Recipient agrees as follows:

1. Recipient acknowledges that all Confidential Information provided to Recipient is proprietary to Asta and its joint venture partners except for Confidential Information which is set out and described in Clause 6.
2. The Confidential Information shall be kept in the strictest of confidence and shall not be used for any purpose whatsoever other than evaluating a possible transaction between Recipient and Asta. The Confidential Information shall not be disclosed to any person other than Recipient and to such of its directors, employees, agents, consultants, representatives and advisors (the “Representatives”) who have a need to know such information for the purpose of appraising the Property. Recipient shall take all steps that are necessary to ensure that its Representatives are aware of the terms and conditions of this Agreement and that such terms and conditions are binding upon any and all of its Representatives. Upon request, Recipient shall provide Asta with a list of the Representatives who have received the Confidential Information.
3. Recipient agrees that it and its Representatives shall not disclose to any person or publish or disperse in any form, any terms, conditions or other facts with respect to any possible transaction relating to the Property for which the Confidential Information was disclosed.
4. If the Recipient makes a request to view seismic data as part of its review of a possible transaction involving the Property, as the case may be, and Asta provides such access, the Recipient warrants that under no circumstances will it allow its Representatives to copy, remove, take away or otherwise reproduce any of the seismic data or derivatives thereof that such Representatives have been given access to hereunder. This would include, but not be limited to, an absolute restriction against the use of electronic equipment to produce photographs or other digital copy or reproductions of any of the affected seismic data and or photocopies, sketches or tracings of such affected seismic data. No electronic devices, cameras, USB devices, laptops or cellphones with photographic capability may be brought into the dataroom or an area where data is disclosed.

5. Notwithstanding the foregoing terms, Recipient shall be permitted to disclose such Confidential Information that is required to be disclosed pursuant to any law, rule or regulation. In the event that Recipient receives a request or legal directive to disclose Confidential Information, Recipient shall promptly provide written and verbal notification to Asta of such a request. Recipient shall consult with Asta on the advisability of taking steps to resist or narrow such request or directive. If disclosure is deemed advisable, Recipient shall cooperate with Asta in any attempt that Asta may make to obtain an order or other reliable assurance that confidential treatment will be accorded by the requesting or directing party to the information required to be disclosed.
6. The restrictions set forth in Clauses 2 and 3 above shall not apply to any part of the Confidential Information which is:
  - (a) now in the public domain or becomes part of the public domain other than through an act of the Recipient or its Representatives; or
  - (b) in the lawful possession of the Recipient prior to its disclosure by Asta; or
  - (c) subject to disclosure required by law, rule or regulation provided that Asta is given notice pursuant to Clause 5 prior to such disclosure; or
  - (d) made available to the Recipient or its Representatives from a source who may reasonably be believed to legally hold such information and who is not bound to Asta under a confidentiality agreement.
7. Recipient acknowledges the competitive value of the Confidential Information. Accordingly, without limitation and in addition to any rights of Asta and its joint venture partners against the Recipient arising by any breach hereof, the Recipient shall:
  - (a) be liable to Asta for all losses, costs, damages and expenses whatsoever which they may suffer, sustain, pay or incur; and in addition,
  - (b) indemnify Asta against any and all actions, proceedings, claims, demands, losses, costs, damages and expenses whatsoever which may be brought against or suffered by Asta or which Asta may suffer, sustain, pay or incur;resulting from disclosure by the Recipient, or its Representatives, of all or any part or parts of the Confidential Information.
8. At any time, at the request of Asta, Recipient shall immediately return or cause to be returned to Asta all of the Confidential Information which may have been released to the Recipient. Recipient shall not retain any copies or other reproductions or extracts of the Confidential Information. Furthermore, Recipient shall, if so requested by Asta, provide certification from an officer of the Recipient to Asta that the terms and conditions of this Clause have been complied with. The Recipient will return all requested Confidential Information except to the extent that computer systems are back-up or archived. The Recipient will be able to retain a copy of any analysis of Confidential Information in respect to a possible transaction with Asta for any internal management and/or board of directors recommendations or approvals.
9. Recipient understands and agrees that no contract or agreement providing for the sale of the Property shall be deemed to exist between the Recipient and Asta unless and until a definitive offer to purchase has been accepted in writing by Asta. For greater clarity the Recipient acknowledges that this Agreement does not constitute a definitive offer to purchase. Recipient hereby waives, in advance, any claims (including, without limitation, breach of contract) in

connection with the sale of the Property unless and until a definitive offer to purchase from Recipient has been accepted in writing by Asta.

10. This Confidentiality Agreement shall remain in force for a period of one year from the date hereof, or until such time as all of the Confidential Information becomes part of the public domain through conventional processes and through no violation of this Agreement, whichever comes first.
11. Recipient understands that in providing access to the Confidential Information, Asta makes no representation or warranty as to the accuracy or completeness of the Confidential Information. Recipient agrees that neither Asta nor anyone representing Asta shall have any liability to the Recipient or any of its Representatives as a result of the use of the information by it or its Representatives.
12. This Agreement shall be construed and determined according to the laws of the Province of Alberta.
13. Recipient acknowledges and agrees that Asta may be irreparably injured by a breach of this Confidentiality Agreement that could not be adequately compensated for by damages. Asta and its joint venture partners shall be entitled to equitable relief, including injunctive relief and specific performance, in the event of a breach of any of the provisions of this Confidentiality Agreement. Such remedies shall be in addition to all other remedies available at law or in equity.
14. Recipient understands and agrees that:
  - (a) Asta shall be free to conduct the process for the sale of the Property in its sole discretion and shall determine, without limitation, the course and nature of negotiations with any prospective buyer and the acceptance of a definitive offer to purchase without prior notice to the Recipient, its Representatives or any other person or corporate entity; and
  - (b) Recipient shall not have any claims whatsoever against Asta or any of its directors, officers, stockholders, owners, affiliates, representatives, advisors or agents arising out of or relating to the sale of the Property other than as a party to a definitive offer to purchase accepted in writing by Asta and then only against Asta and in accordance with the terms of said offer to purchase.
15. Recipient hereby acknowledges that it is aware and that it will advise its Representatives privy to the Confidential Information that applicable security laws prohibit any person who has received from an issuer material, non-public information concerning the matters which are the subject of this Agreement from purchasing or selling securities of such issuer or from communicating such information to any other person, under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.
16. Recipient shall not initiate or arrange, directly or indirectly, or maintain contact regarding Asta's business operations, prospects or finances (except as contemplated herein and for those contacts made in the ordinary course of business unrelated to the possible transaction) with any officer, director, employee, consultant or other representative of Asta, or with any customer, supplier, sales representative, or competitor of Asta except with the express written permission of Asta. Any such permission granted by Asta may be revoked at any time.
17. If any provision of this agreement is wholly or partially unenforceable for any reason, such unenforceability shall not affect the enforceability of the balance of this Confidentiality Agreement.



18. This Confidentiality Agreement shall be binding upon, and enure to the benefit of, the parties hereto, and their respective successors and permitted assigns.

The Recipient accepts the Confidential Information to be provided relating to the Property subject to the terms and conditions set forth in this Confidentiality Agreement.

Yours truly,

\_\_\_\_\_  
COMPANY NAME

\_\_\_\_\_  
OFFICER'S SIGNATURE

\_\_\_\_\_  
OFFICER'S PRINTED NAME & TITLE

I certify that no changes have been made to this Confidentiality Agreement that have not been clearly marked and initialed.

**CONFIDENTIAL INFORMATION DELIVERY OPTIONS:** *(please check one)*

\_\_\_\_\_ **Electronic** or \_\_\_\_\_ **Hard copy (binder)**

\_\_\_\_\_  
NAME OF CONTACT PERSON TO FORWARD INFORMATION

\_\_\_\_\_  
CONTACT ADDRESS

\_\_\_\_\_  
TELEPHONE NUMBER

\_\_\_\_\_  
EMAIL ADDRESS

**Option to Attach Business Card Here:**

**Accepted by Asta Energy Ltd. this** \_\_\_ **day of** \_\_\_\_\_, **20**\_\_\_

\_\_\_\_\_  
Stella Wei  
Chief Financial Officer