



SUPERB OPERATING COMPANY LTD.

PROPERTY DIVESTITURE



OVERVIEW INFORMATION

Bid Deadline: 12:00 pm June 27, 2024

**Non-Core Property Divestiture:
Superb, Saskatchewan
27 bbl/d of Heavy Oil**

Superb Operating Company Ltd. (“Superb” or the “Company”) has engaged **Sayer Energy Advisors** to assist the Company with the sale of certain of its non-core oil interests located in the *Superb* area of Saskatchewan (the “Property”). Superb’s parent company is an alternative energy producer and is divesting the Property to focus on its hydrogen production assets.

The Company believes the Property would support 15 additional multi-lateral horizontal development wells with 70 million barrels of OOIP in the Waseca reservoir. Estimated capital costs to drill, complete and equip are \$1.6 million per well.

Superb also believes the Property could be developed with 20-30 vertical CHOPS wells at 40-acre spacing. There are proven historical horizontal wells offsetting the Property on the same geological trend and the Property is on trend with established steam projects and presents an opportunity to drill SAGD well pairs for steam development.

Current production net to the Company from the Property is approximately 27 barrels of heavy oil per day. Operating income net to the Company from the Property for the twelve months ended February 29, 2024 was approximately (\$380,000) due to several workovers.

As of April 28, 2024, the Property had a deemed net asset value of \$9,910 (deemed assets of \$306,010 and deemed liabilities of \$296,100), with an LMR ratio of 1.03.

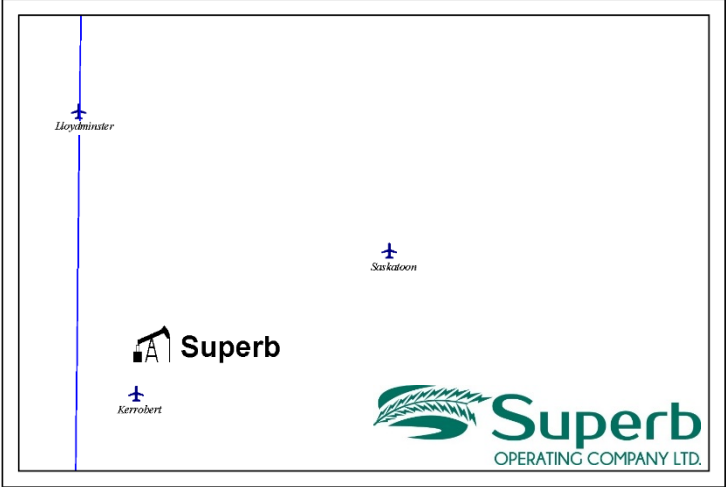
PROCESS & TIMELINE

Sayer Energy Advisors is accepting cash offers to acquire the Property until **12:00 pm on Thursday June 27, 2024**.

Timeline	
Week of May 27, 2024	Preliminary Information Distributed
Week of May 27, 2024	Data Room Opens
June 27, 2024	Bid Deadline
July 1, 2024	Effective Date
Third Quarter 2024	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 27, 2024.





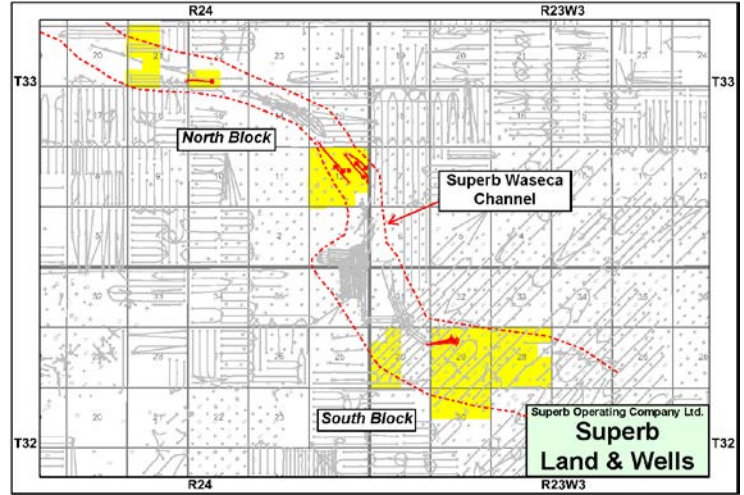
Superb Property

Township 32-33, Range 23-24 W3

In the *Superb* area, the Company has working interests in approximately four sections of land. The Property is located near Kerrobert, Saskatchewan. The Property is separated into the *North Block* and *South Block*.

In the *North Block*, the Company holds a 100% working interest in 1.5 sections of land. Production is from the two oil wells *Superb Kerrobert 102/10-12-033-24W3/0* and *Superb Kerrobert 191/08-12-033-24W3/0*.

Current production from the 102/10-12-033-24W3/0 well is approximately 23 barrels of heavy oil per day.



In the *South Block*, Superb holds a 100% working interest in approximately three sections of land as well as a 30% working interest in the northwest quarter of Section 29-032-23W3, on which there is one five-leg multilateral horizontal well operated by **Sonoro Energy Ltd.** Current production net to Superb from the well *Sonoro HZ 102/14-29-032-23W3/0* is approximately 4 bbl/d of oil.

Waseca Formation

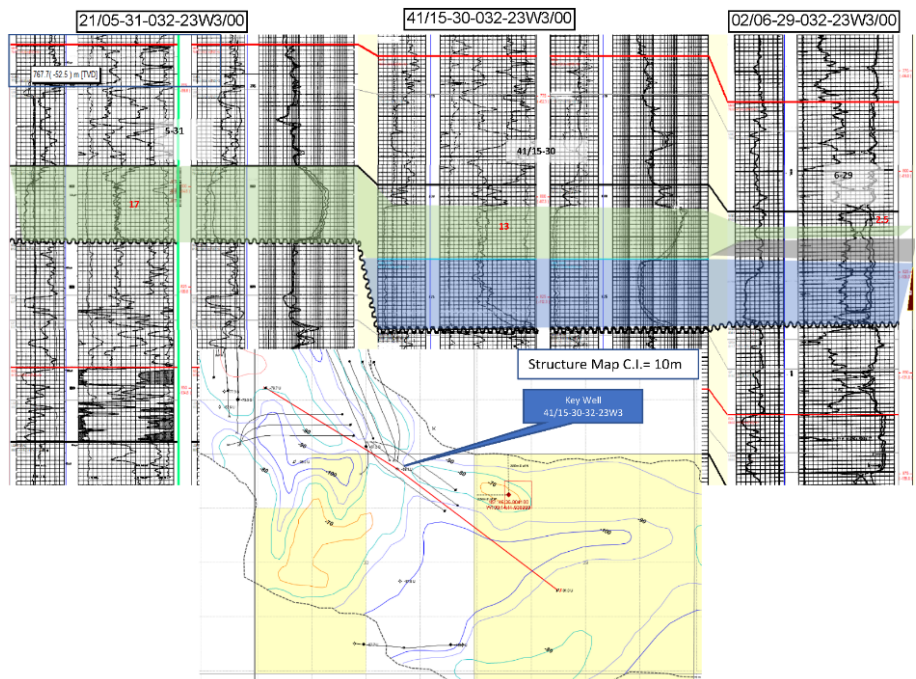
At *Superb*, the target reservoir is a Waseca heavy oil channel sand which contains 11-16.5° API gravity oil.

The Company has an eight well horizontal development plan for the *North Block* and has identified seven horizontal Waseca locations in the *South Block*.

The Property is adjacent to, and in the same Waseca channel trend, as the Company's core property at Kerrobert. Superb's Kerrobert property is the focus of the Company and was acquired in 2017 for the commercialization of large-scale clear hydrogen production.

The following cross section shows the presence of the Waseca channel reservoir on the Company's lands in the *South Block*.

South Block - Structural Cross Section



The development of Superb's core Waseca pool at Kerrobert serves as an analogue to the development potential of the Waseca channel at *Superb*.

The Company believes the Property would support 15 additional multi-lateral horizontal development wells with 70 million barrels of OOIP in the Waseca reservoir. Estimated capital costs to drill, complete and equip are \$1.6 million per well.

Superb also believes the Property could be developed with 20-30 vertical CHOPS wells at 40-acre spacing.





There are proven historical horizontal wells offsetting the Property on the same geological trend and the Property is on trend with established steam projects and presents an opportunity to drill SAGD well pairs for steam development.

Superb Reserves

GLJ Ltd. (“GLJ”) prepared an independent reserves evaluation of the *North Block* (the “GLJ Report”). The GLJ Report is effective December 31, 2023 using an average of *GLJ Ltd., McDaniel & Associates Consultants Limited* and *Sproule Associates Limited’s* April 1, 2024 forecast pricing (“3C Average April 1, 2024”).

GLJ estimated that, as of December 31, 2023, the *North Block* contained remaining proved plus probable reserves of 945,000 barrels of heavy oil (945,000 boe), with an estimated net present value of \$14.0 million using forecast pricing at a 10% discount.

GLJ Ltd. as at December 31, 2023							
	COMPANY GROSS RESERVES				PV BEFORE TAX		
	Oil Mbbl	Natural Gas MMcf	Ng1 Mbbl	Total MBOE	5%	10%	15%
Proved Developed Producing	4	0	0	4	\$3	\$19	\$30
Proved Undeveloped	270	0	0	270	\$5,154	\$4,446	\$3,865
Total Proved	274	0	0	274	\$5,157	\$4,465	\$3,894
Probable	671	0	0	671	\$11,449	\$9,575	\$8,081
Total Proved Plus Probable	945	0	0	945	\$16,606	\$14,040	\$11,975

The reserve estimates and forecasts of production and revenues for the Property were prepared within the context of a group of 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.

Superb prepared an internal reserves evaluation of the *South Block* (the “Internal Report”). The Internal Report is effective December 31, 2023 using an average of *GLJ Ltd., McDaniel & Associates Consultants Limited* and *Sproule Associates Limited’s* January 1, 2024 forecast pricing (“3C Average”).

Superb estimated that, as of December 31, 2023, the *South Block* contained remaining proved plus probable reserves of 1.1 million barrels of heavy oil (1.1 million boe), with an estimated net present value of \$24.3 million using forecast pricing at a 10% discount.

Superb Operating Company Ltd. as at December 31, 2023							
	COMPANY GROSS RESERVES				PV BEFORE TAX		
	Oil Mbbl	Natural Gas MMcf	Ng1 Mbbl	Total MBOE	5%	10%	15%
Proved Developed Producing	0	0	0	0	\$0	\$0	\$0
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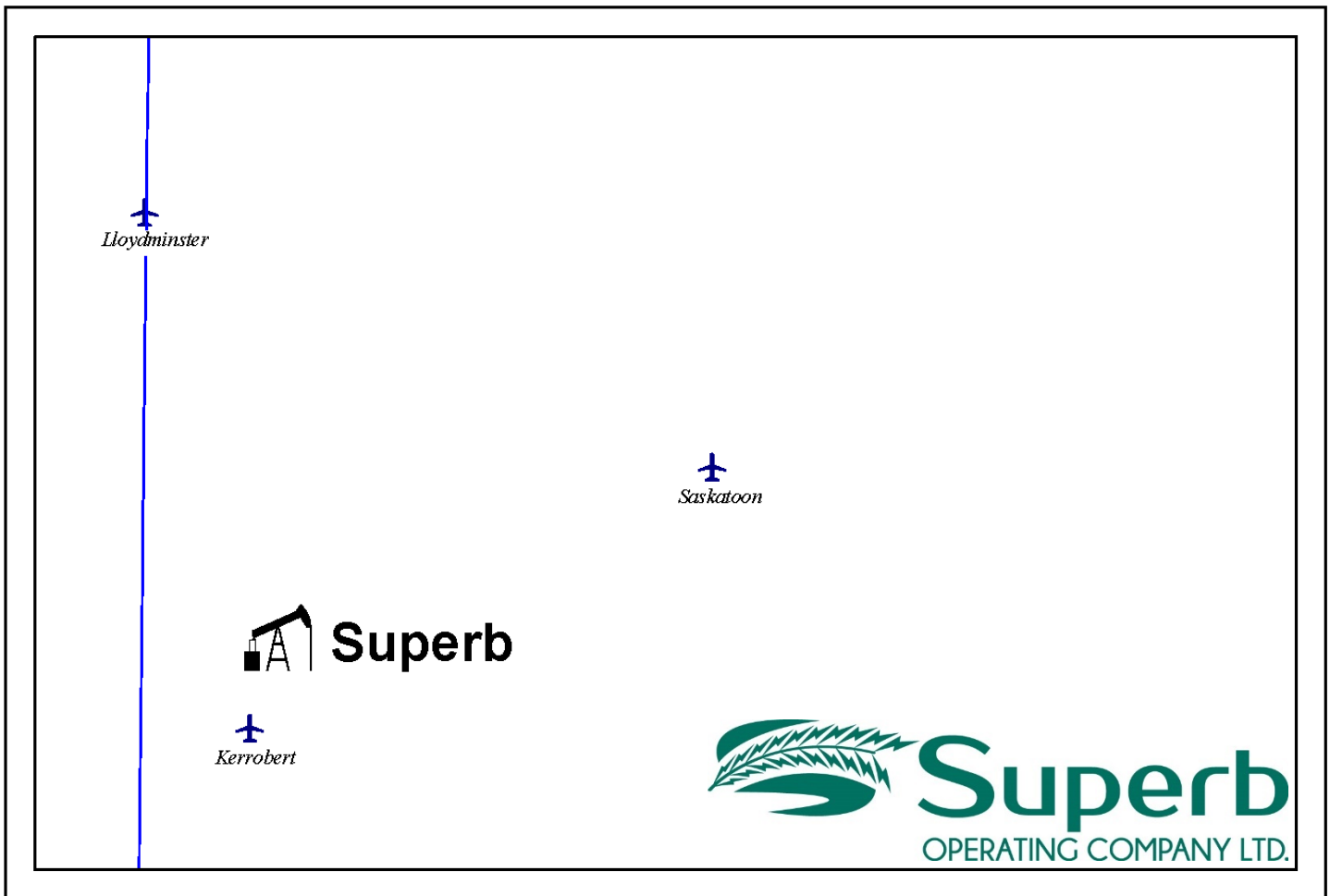
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Superb LMR as of April 28, 2024

As of April 28, 2024, the Property had a deemed net asset value of \$9,910 (deemed assets of \$306,010 and deemed liabilities of \$296,100), with an LMR ratio of 1.03.



Superb Operating Company Ltd. Non-Core Property Divestiture Spring 2024



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) and return one copy to Sayer Energy Advisors by courier, email (brye@sayeradvisors.com) or fax (403.266.4467).

Included in the confidential information is the following: summary land information, the GLJ Report, the Internal Report, LMR information, most recent net operations summary 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

Superb Operating Company Ltd. (“Superb” or the “Company”) has engaged **Sayer Energy Advisors** to assist the Company with the sale of certain of its non-core oil interests located in the *Superb* area of Saskatchewan (the “Property”). Superb’s parent company is an alternative energy producer and is divesting the Property to focus on its hydrogen production assets.

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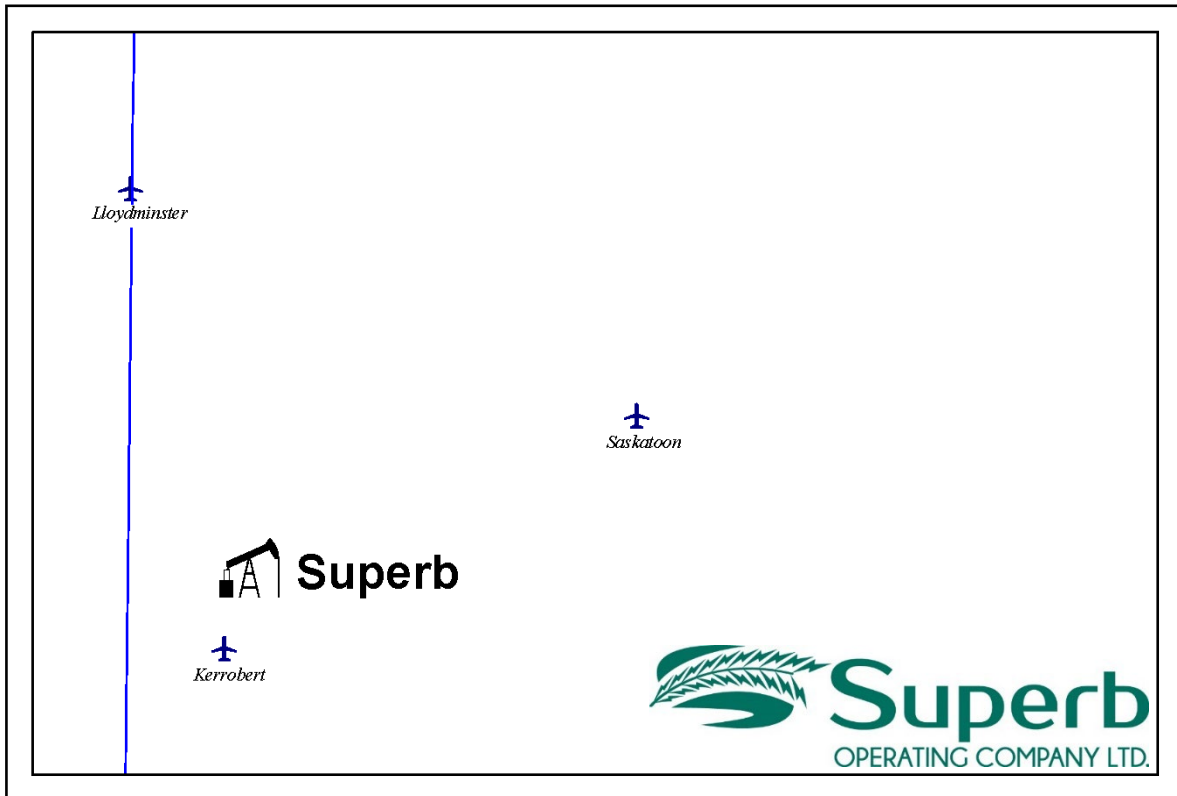
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Overview Map Showing the Location of the Divestiture Property





Superb Property

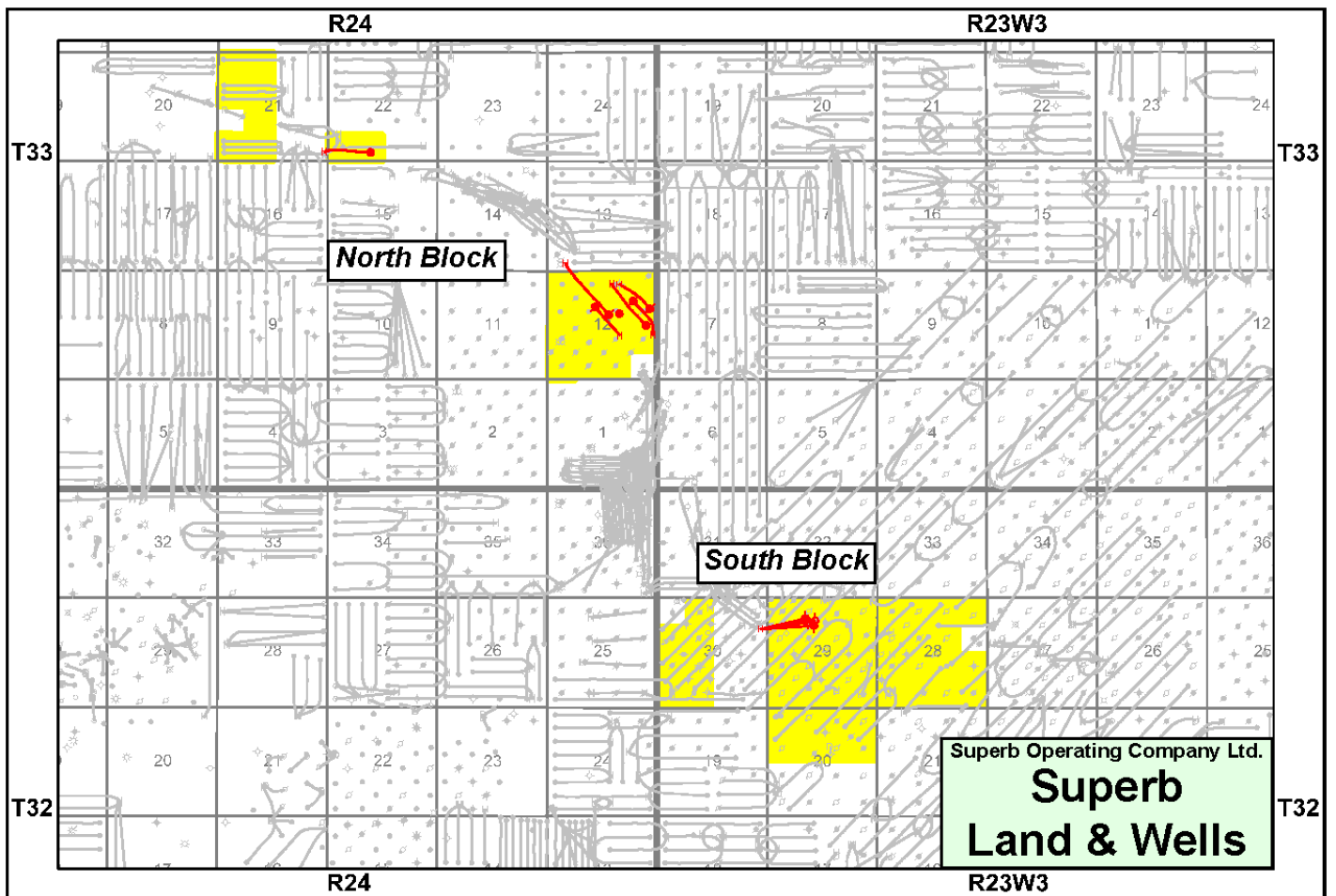
Township 32-33, Range 23-24 W3

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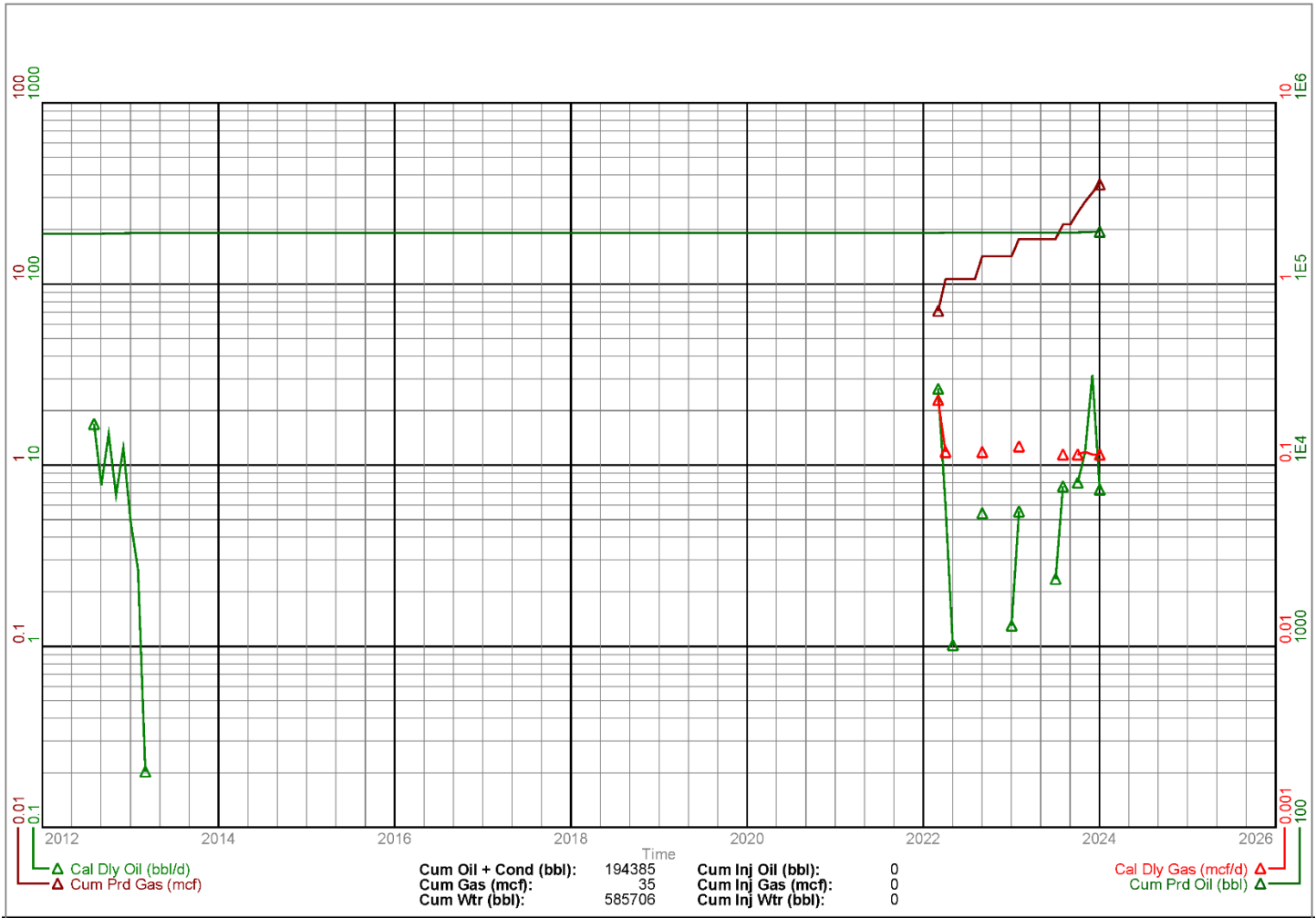
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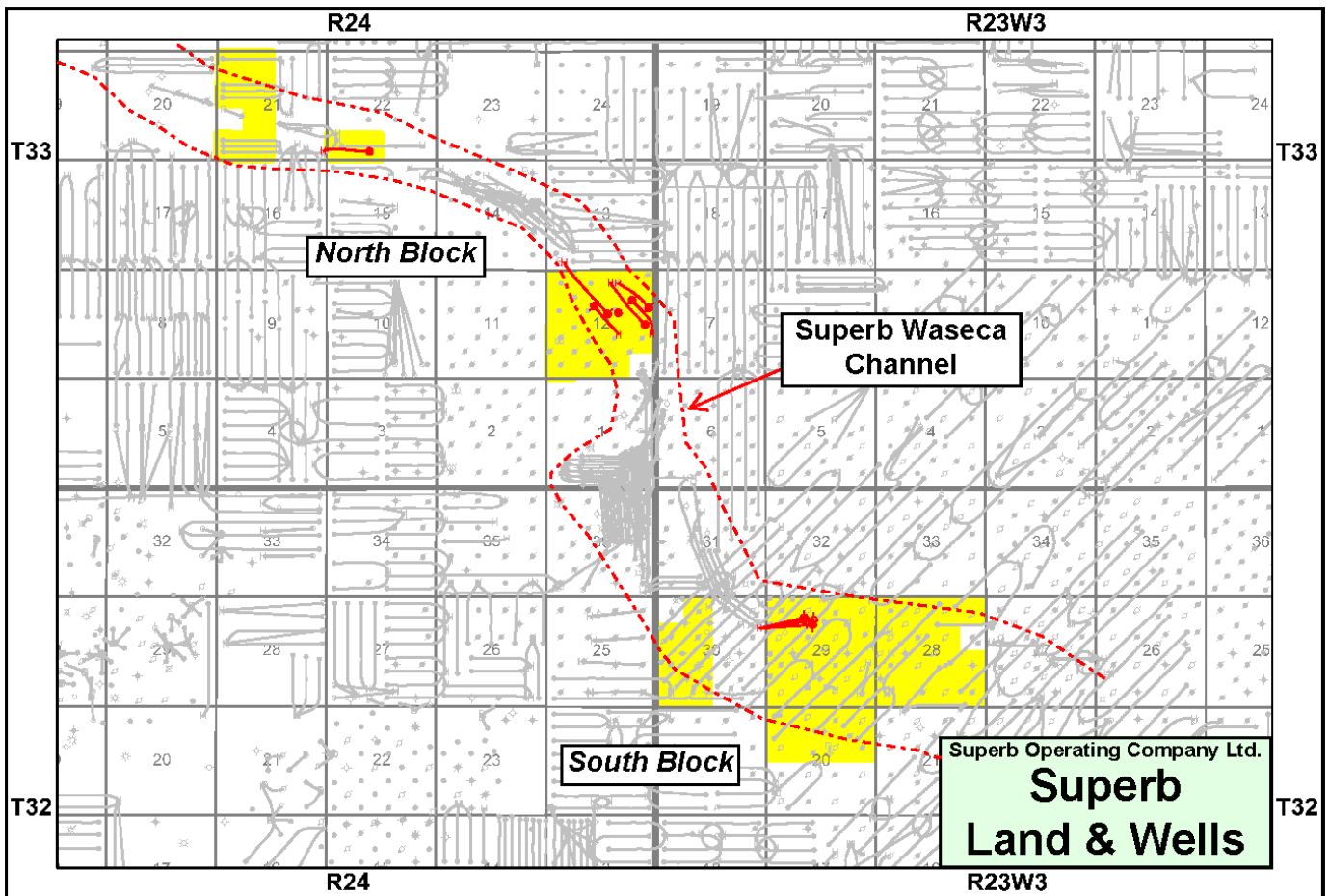
Superb, Saskatchewan - Gross Production Group Plot



Waseca Formation

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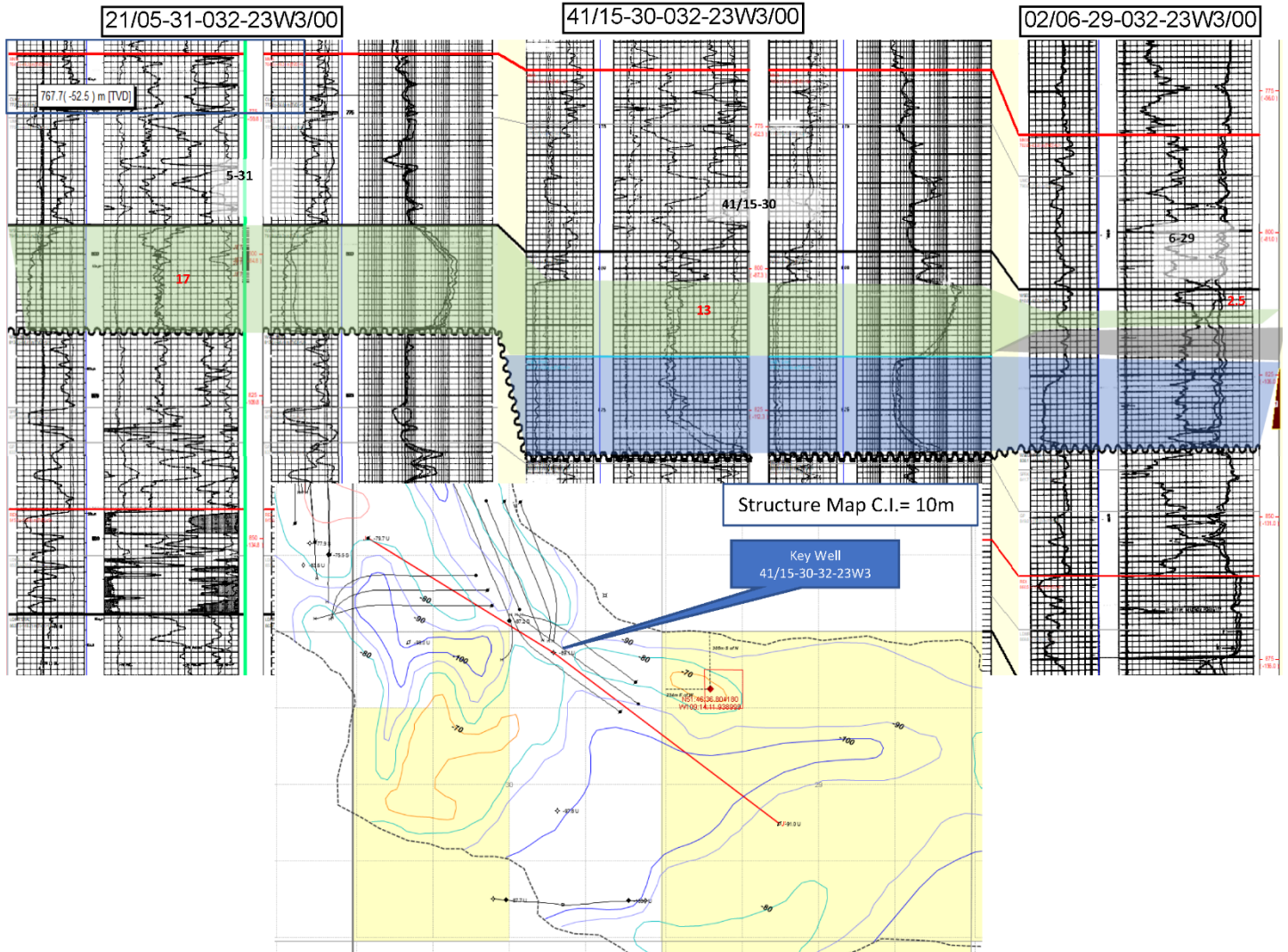
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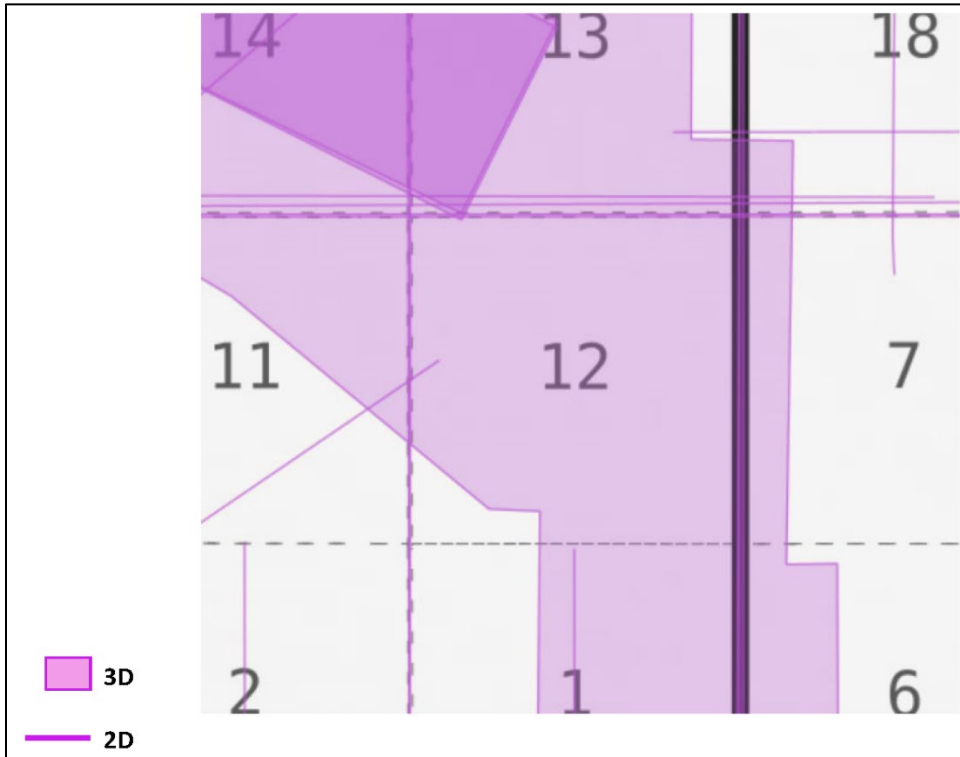




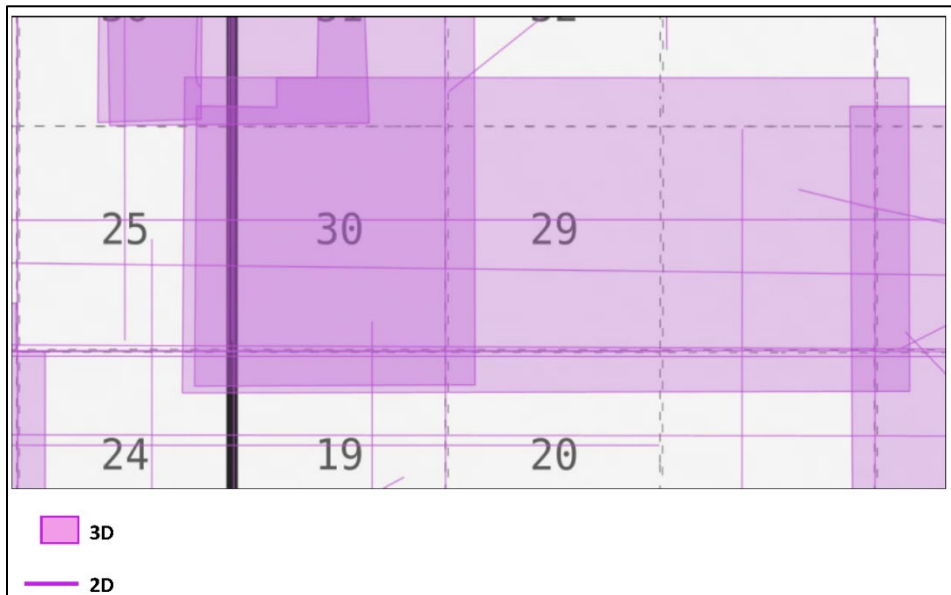
Seismic Overview

The Company does not have ownership in any 3D seismic data relating to the Property but there is significant seismic available in the area.

North Block – Seismic Plat



South Block – Seismic Plat



Superb Facilities

The Company does not have ownership in any facilities at *Superb*. Details on the Company's equipment will be made available in the data room to parties that execute a confidentiality agreement.

Superb Marketing

Oil from *Superb* is trucked to the **Inter Pipeline Ltd.** clean heavy oil terminal at 02-34-033-22W3 and sold to Inter Pipeline on a 30-day contract.

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Superb LMR as of April 28, 2024

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Deemed Assets	Deemed Liabilities	Net Deemed Assets	LMR
\$306,010	\$296,100	\$9,910	1.03

Superb Well List

See well list in Excel.



RECIPIENT COMPANY LETTERHEAD

_____, 20____

Superb Operating Company Ltd.
c/o Sayer Energy Advisors
1620, 540 - 5th Avenue SW
Calgary, Alberta T2P 0M2

Attention: Tom Pavic

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

_____ (“Recipient”) has expressed an interest in the purchase of certain oil and natural gas interests owned by Superb Operating Company Ltd. (“Superb”) in the Superb area of Saskatchewan (the “Property”). Superb 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 Superb providing the Confidential Information, Recipient agrees as follows:

1. Recipient acknowledges that all Confidential Information provided to Recipient is proprietary to Superb 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 Superb. 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 Superb 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 Superb 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 Superb of such a request. Recipient shall consult with Superb on the advisability of taking steps to resist or narrow such request or directive. If disclosure is deemed advisable, Recipient shall cooperate with Superb in any attempt that Superb 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 Superb; or
 - (c) subject to disclosure required by law, rule or regulation provided that Superb 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 Superb under a confidentiality agreement.
7. Recipient acknowledges the competitive value of the Confidential Information. Accordingly, without limitation and in addition to any rights of Superb and its joint venture partners against the Recipient arising by any breach hereof, the Recipient shall:
 - (a) be liable to Superb for all losses, costs, damages and expenses whatsoever which they may suffer, sustain, pay or incur; and in addition,
 - (b) indemnify Superb against any and all actions, proceedings, claims, demands, losses, costs, damages and expenses whatsoever which may be brought against or suffered by Superb or which Superb 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 Superb, Recipient shall immediately return or cause to be returned to Superb 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 Superb, provide certification from an officer of the Recipient to Superb 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 Superb 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 Superb unless and until a definitive offer to purchase has been accepted in writing by Superb. 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 Superb.

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, Superb makes no representation or warranty as to the accuracy or completeness of the Confidential Information. Recipient agrees that neither Superb nor anyone representing Superb 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 Superb may be irreparably injured by a breach of this Confidentiality Agreement that could not be adequately compensated for by damages. Superb 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) Superb 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 Superb 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 Superb and then only against Superb 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 Superb'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 Superb, or with any customer, supplier, sales representative, or competitor of Superb except with the express written permission of Superb. Any such permission granted by Superb 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 Superb Operating Company Ltd. this ___ **day of** _____, **20**___

Carmine Battista
Chief Commercial Officer