



Petroleum & Natural Gas Rights Project in Alberta, Canada

[MKS INVESTMENTS LTD.]

November 2021



2. P&N RIGHTS SUMMARY

MKS INVESTMENTS LTD.

CONFIDENTIAL

■ PNG (PETROLEUM AND NATURAL GAS) RIGHT ACQUISITION IN ALBERTA

• 62.25 Sections of PNG Rights in Alberta

Golden Slave Point (3.75 sec.)

- Golden (360 km NE, Grande Prairie)
- Slave Point, Gilwood formation
- max. pay 11 m ($\Phi > 12\%$)
- TVD 1,620 m

Shadow Montney (5 sec.)

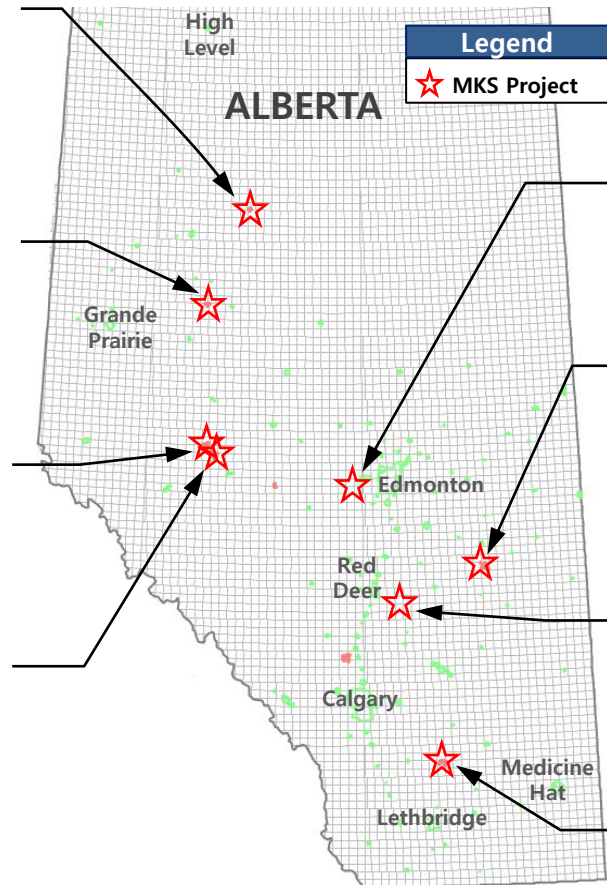
- Girouxville (440 km NW, Edmonton)
- Montney formation
- max. pay 10 m ($\Phi > 9\%$)
- TVD 1,050 m (SSL – 463.5 m)

Presley Montney (10 sec.)

- Presley (150 km NW Edmonton)
- Montney Dolostone formation
- max. pay 5 m ($\Phi > 3\%$)
- TVD 2,700 m (SSL – 1,700 m)

Pine Creek Cardium (7 sec.)

- Niton (100 km West, Edmonton)
- Cardium sand formation
- max. pay 5 m ($\Phi > 6\%$)
- TVD 2,000 m



Golden Spike Duvernay (11 sec.)

- Golden Spike (20 km W. Edmonton)
- Duvernay shale formation
- pay 15~25 m ($\Phi > 3\%$, > 100 ohm)
- TVD 2,200 ~ 2,400 m

Halkirk Viking (8 sec.)

- Foresburg (314 km NE, Calgary)
- Viking sand formation
- max. pay 8 m ($\Phi > 12\%$)
- TVD 800 m (SSL - 100 m)

Mikwan Duvernay (10 sec.)

- Mikwan Lake (150 km N. Calgary)
- Duvernay shale formation
- pay 10~15 m (Light sweet oil)
- TVD 1,900 ~ 2,100 m

Armada S. Mannville (10.75 sec.)

- McGregor Lake (150 km SE, Calgary)
- Mannville (Glauconite) sand
- max. pay 10 m (GLAU, MNVL A & C)
- TVD 1,000~1,200 m

* MKS Investments internal evaluation

■ PNG Lease Summary

Project Name	Halkirk	Shadow	Golden	Presley	Pine Creek	Long Coulee	Golden Spike	Mikwan	Total
Starting Date	2017.05.25	2017.06.22	2018.02.17	2018.07.25	2018.09.05	2019.02.06	2020.03.04	2020.03.18	-
Location (Township)	T40-42	T74	T86-87	T56-57	T55-56	T16	T51-52	T36-37	-
Location (Range)	R12-14 W4	R19-20 W5	R14 W5	R20 W5	R19 W5	R19-20W4	R27 W4	R22-23W4	-
Target Formation	Viking	Montney	Slave Point	Montney Duvernay	Cardium	Mannville	Duvernay	Duvernay	-
Land (section)	8.00	5.00	3.75	10.00	7.00	10.75	11.00	10.00	62.25
Land (hectares)	2,048	1,280	960	2,560	1,792	2,752	2,816	2,560	15,936
Lease End Date	2022.05.25	2022.06.22	2023.02.17	2023.07.25	2023.09.05	2024.02.06	2025.03.04	2025.03.18	-

2. P&N RIGHTS OUTLINE

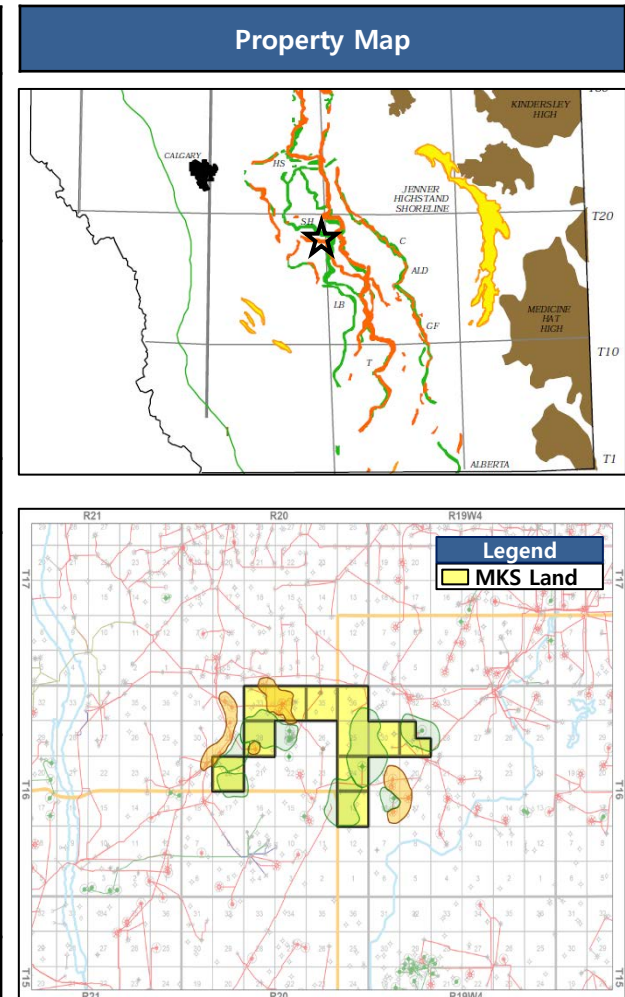
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1. LONG COULEE SOUTH MANNVILLE LIGHT OIL PROJECT

- Total 10 drilling potential in 10.75 sections of land.

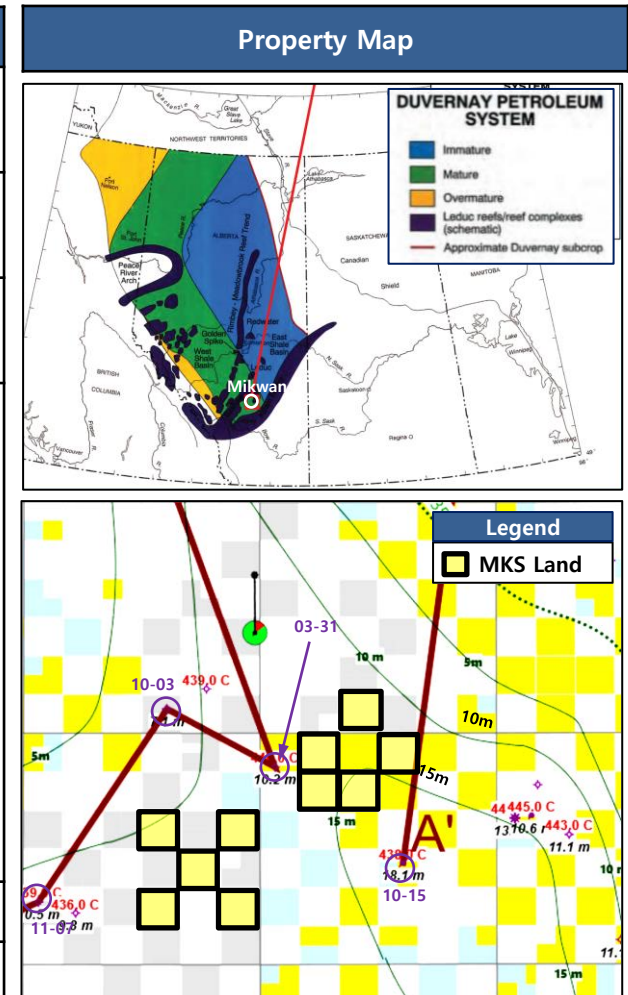
Category	Specification
Outline	<ul style="list-style-type: none"> • Light oil project near McGregor Lake (150 km SE Calgary) • 10.75 net sections with 10 drill locations in Mannville Fm. <ul style="list-style-type: none"> - Located offsetting Mannville HZ drilling locations
Geology	<ul style="list-style-type: none"> • Mannville formation : early Cretaceous age <ul style="list-style-type: none"> - Glauconite, Mannville A, Mannville C channel net pay 10 m each - Well defined with vertical well control and seismic - Low recovery of existing vertical wells (< 1 %)
Land	<ul style="list-style-type: none"> • PNG Rights : 10.75 net sections (2,752 hectares) - Various
Evaluation	<ul style="list-style-type: none"> • CENOVUS well analogy <ul style="list-style-type: none"> - Estimated EUR of 10 well program : 2.0 MMbbls - Depth of Mannville formation : 1,000~1,020 m - Oil quality : 30 degree API (light and medium)
Development	<ul style="list-style-type: none"> • Development Economics <ul style="list-style-type: none"> - DCET : 2.2 MM\$ - IP 365 : 130 boed, Reserves : 196 Mboe/well - NPV@10 : 2.95 MM\$/well, ROR (Rate of Return) : 28 %
Upside	<ul style="list-style-type: none"> • Offsetting crown land expansion potential



2. MIKWAN DUVERNAY LIGHT OIL PROJECT

- Maximum 40 horizontal multi-frac drilling potential in 10.0 sections of land.

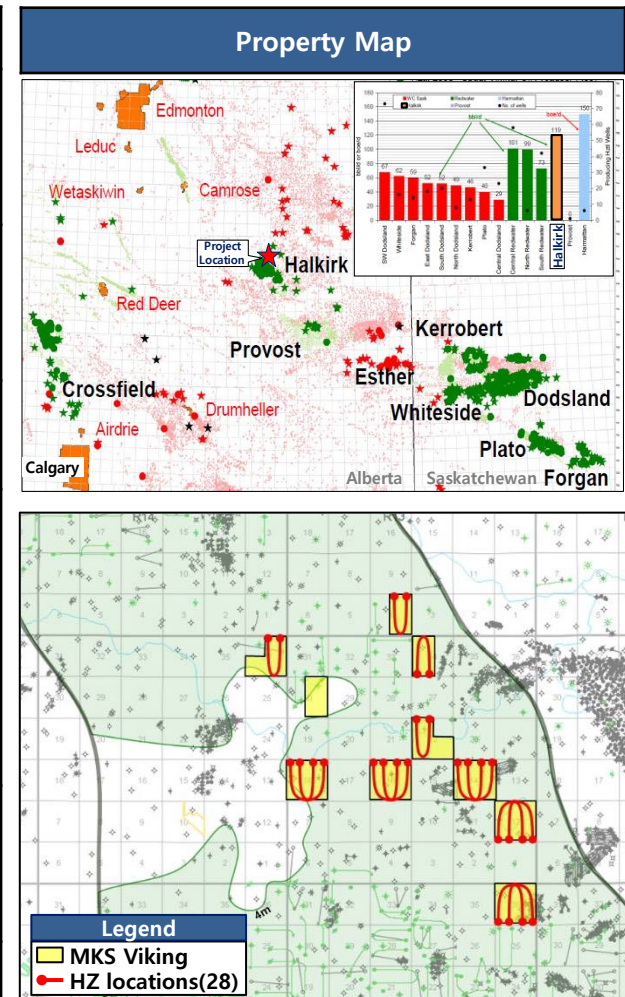
Category	Specification																																																																																																																											
Outline	<ul style="list-style-type: none">Light oil project near Mikwan Lake (150 km NE Calgary)10 net sections with 10 HZ drill locations in Mannville Fm.																																																																																																																											
Geology	<ul style="list-style-type: none">Duvernay formation : upper Devonian age<ul style="list-style-type: none">- pay 10~15 m with 6 % porosity cut and resistivity over 50 ohm																																																																																																																											
Land	<ul style="list-style-type: none">PNG Rights : 10 net sections (2,560 hectares)<ul style="list-style-type: none">- Various formation including 100 % Duvernay right																																																																																																																											
Evaluation	<ul style="list-style-type: none">Prairie Sky Royalty Evaluation<ul style="list-style-type: none">- Geochem data shows Rock Eval S1 & S2 (Good to Very Good)<table><tr><th rowspan="2">Petroleum Potential</th><th colspan="2">Organic Matter</th><th rowspan="2">Bitumen^c (wt. %)</th><th rowspan="2">Bitumen^c (ppm)</th><th rowspan="2">Hydrocarbons (ppm)</th></tr><tr><th>TOC (wt. %)</th><th>Rock-Eval Pyrolysis S₁^a S₂^b</th></tr><tr><td>Poor</td><td>0-0.5</td><td>0-0.5</td><td>0-2.5</td><td>0-0.05</td><td>0-500</td></tr><tr><td>Fair</td><td>0.5-1</td><td>0.5-1</td><td>2.5-5</td><td>0.05-0.10</td><td>500-1000</td></tr><tr><td>Good</td><td>1-2</td><td>1-2</td><td>5-10</td><td>0.10-0.20</td><td>1000-2000</td></tr><tr><td>Very Good</td><td>2-4</td><td>2-4</td><td>10-20</td><td>0.20-0.40</td><td>2000-4000</td></tr><tr><td>Excellent</td><td>>4</td><td>>4</td><td>>20</td><td>>0.40</td><td>>4000</td></tr></table>- Hydrogen index values for Type II Kergoen<table><tr><th>Kerogen Type</th><th>HI (mg HC/g TOC)</th><th>S₂/S₃</th><th>Atomic H/C</th><th>Main Expelled Product at Peak Maturity</th></tr><tr><td>I</td><td>>600</td><td>>15</td><td>>1.5</td><td>Oil</td></tr><tr><td>II</td><td>300-600</td><td>10-15</td><td>1.2-1.5</td><td>Oil</td></tr><tr><td>II/III^b</td><td>200-300</td><td>5-10</td><td>1.0-1.2</td><td>Mixed oil and gas</td></tr><tr><td>III</td><td>90-200</td><td>1-5</td><td>0.7-1.0</td><td>Gas</td></tr><tr><td>IV</td><td><50</td><td><1</td><td><0.7</td><td>None</td></tr></table>- Tmax of Early stage of Thermal maturity for Oil generation<table><tr><th rowspan="2">Stage of Thermal Maturity for Oil</th><th colspan="3">Maturation</th><th colspan="3">Generation</th></tr><tr><th>R_o (%)</th><th>T_{max} (°C)</th><th>TAI^a</th><th>Bitumen/TOC^a</th><th>Bitumen (mg/g rock)</th><th>PIC [S₁/(S₁ + S₂)]</th></tr><tr><td>Immature</td><td>0.2-0.6</td><td><435</td><td>1.5-2.6</td><td><0.05</td><td><50</td><td><0.10</td></tr><tr><td>Mature</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td> Early</td><td>0.6-0.65</td><td>435-445</td><td>2.6-2.7</td><td>0.05-0.10</td><td>50-100</td><td>0.10-0.15</td></tr><tr><td> Peak</td><td>0.65-0.9</td><td>445-450</td><td>2.7-2.9</td><td>0.15-0.25</td><td>150-250</td><td>0.25-0.40</td></tr><tr><td> Late</td><td>0.9-1.35</td><td>450-470</td><td>2.9-3.3</td><td>—</td><td>—</td><td>>0.40</td></tr><tr><td>Postmature</td><td>>1.35</td><td>>470</td><td>>3.3</td><td>—</td><td>—</td><td>—</td></tr></table>	Petroleum Potential	Organic Matter		Bitumen ^c (wt. %)	Bitumen ^c (ppm)	Hydrocarbons (ppm)	TOC (wt. %)	Rock-Eval Pyrolysis S ₁ ^a S ₂ ^b	Poor	0-0.5	0-0.5	0-2.5	0-0.05	0-500	Fair	0.5-1	0.5-1	2.5-5	0.05-0.10	500-1000	Good	1-2	1-2	5-10	0.10-0.20	1000-2000	Very Good	2-4	2-4	10-20	0.20-0.40	2000-4000	Excellent	>4	>4	>20	>0.40	>4000	Kerogen Type	HI (mg HC/g TOC)	S ₂ /S ₃	Atomic H/C	Main Expelled Product at Peak Maturity	I	>600	>15	>1.5	Oil	II	300-600	10-15	1.2-1.5	Oil	II/III ^b	200-300	5-10	1.0-1.2	Mixed oil and gas	III	90-200	1-5	0.7-1.0	Gas	IV	<50	<1	<0.7	None	Stage of Thermal Maturity for Oil	Maturation			Generation			R _o (%)	T _{max} (°C)	TAI ^a	Bitumen/TOC ^a	Bitumen (mg/g rock)	PIC [S ₁ /(S ₁ + S ₂)]	Immature	0.2-0.6	<435	1.5-2.6	<0.05	<50	<0.10	Mature							Early	0.6-0.65	435-445	2.6-2.7	0.05-0.10	50-100	0.10-0.15	Peak	0.65-0.9	445-450	2.7-2.9	0.15-0.25	150-250	0.25-0.40	Late	0.9-1.35	450-470	2.9-3.3	—	—	>0.40	Postmature	>1.35	>470	>3.3	—	—	—
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Develop.	<ul style="list-style-type: none">Prairie Sky Royalty holding 11,000 acres of prospective rights																																																																																																																											
Upside	<ul style="list-style-type: none">Offsetting crown land expansion potential																																																																																																																											



3. HALKIRK VIKING LIGHT OIL PROJECT

- Total 28 horizontal multi-frac drilling potential in Viking land

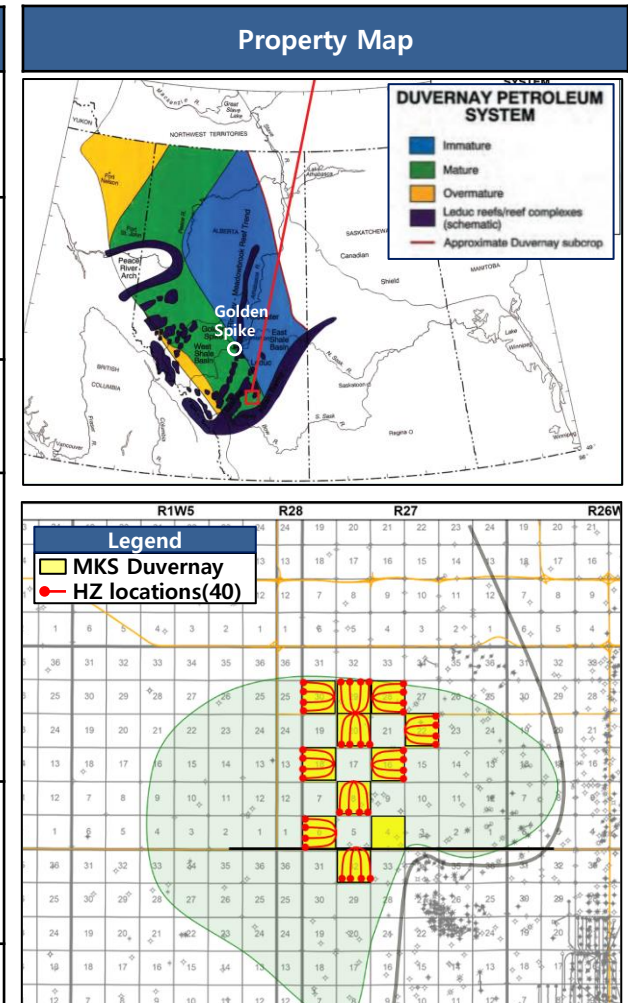
Category	Specification
Outline	<ul style="list-style-type: none"> • Light oil project near Foresburg, Alberta (314 km NE from Calgary) • 8 net sections with 28 HZ drill locations in Viking Fm. - Immediate North of main Provost Viking pool (OOIP 57 MMbbls)
Geology	<ul style="list-style-type: none"> • Viking formation : Colorado Group (Cretaceous-age) - Sandstone reservoir, TVD 800 m (SSL -100 m) - max. 8 m net pay ($\phi > 12\%$), estimated EUR 2.7 MMbbls
Land	<ul style="list-style-type: none"> • PNG Rights : 8 net sections (2,048 hectares) - 6.5 : Surface ~ Basement, 1.0 : ~ Mannville top, 0.5 : ~ Viking base
Evaluation	<ul style="list-style-type: none"> • Offsetting operators - Husky, Harvest, Perpetual, Crescent Point, ExxonMobil, Encana etc • Offsetting Viking pools - Provost Viking : OOIP 57.2 MMbbls, Cum 3 MMbbls (RF 52 %) - Kiliam U Viking H : Cum 654 Mbbls AND 27.9 MMcf gas - Kiliam U Viking B : Cum 371 Mbbls AND 915 MMcf gas
Develop-ment	<ul style="list-style-type: none"> • Development Economics (based on Cutpick Halkirk 60 HZ wells) - 28 HZ locations, DCET 1.8 MM\$ - EUR 90 Mboe, ROR 57.4%, Payout 2.4 years, NPV@10 1.74 MM\$
Upside	<ul style="list-style-type: none"> • Waterflooding potential based on previous pilot field



4. GOLDEN SPIKE DUVERNAY LIGHT OIL PROJECT

- Maximum 40 horizontal multi-frac drilling potential in 11.0 sections of land.

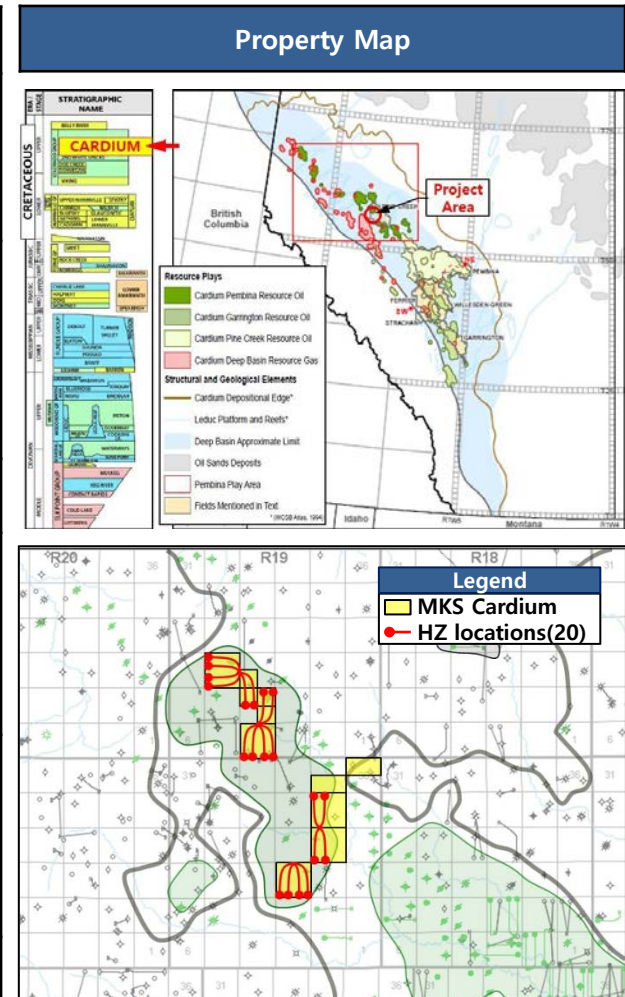
Category	Specification
Outline	<ul style="list-style-type: none"> • Light oil project near Golden Spike (20 km W Edmonton) • 11.0 net sections with 40 HZ drill locations in Duvernay Fm.
Geology	<ul style="list-style-type: none"> • Duvernay formation : upper Devonian age - pay between 20~25 m with 3 % limestone porosity cut and minimum resistivity over 100 ohm
Land	<ul style="list-style-type: none"> • PNG Rights : 11.0 net sections (2,816 hectares) - Various formation including 100 % Duvernay right
Evaluation	<ul style="list-style-type: none"> • Traverse Energy Evaluation - Estimated 10~14 MMbbls oil in place per section - Depth of Duvernay target formation : 2,200~2,400 m • Baytex Well Analogy - Average of 341 bbls/d oil, 590 Mcf/d gas, 308 bbls/d water - Oil quality : 42 ° API (light) Pigeon lake area
Develop ment	<ul style="list-style-type: none"> • Offsetting operators - Crescent Point, Baytex, Journey Energy, Resourceful Petroleum, Teine, Vesta
Upside	<ul style="list-style-type: none"> • Offsetting crown land expansion potential



5. PINE CREEK CARDIUM LIGHT OIL PROJECT

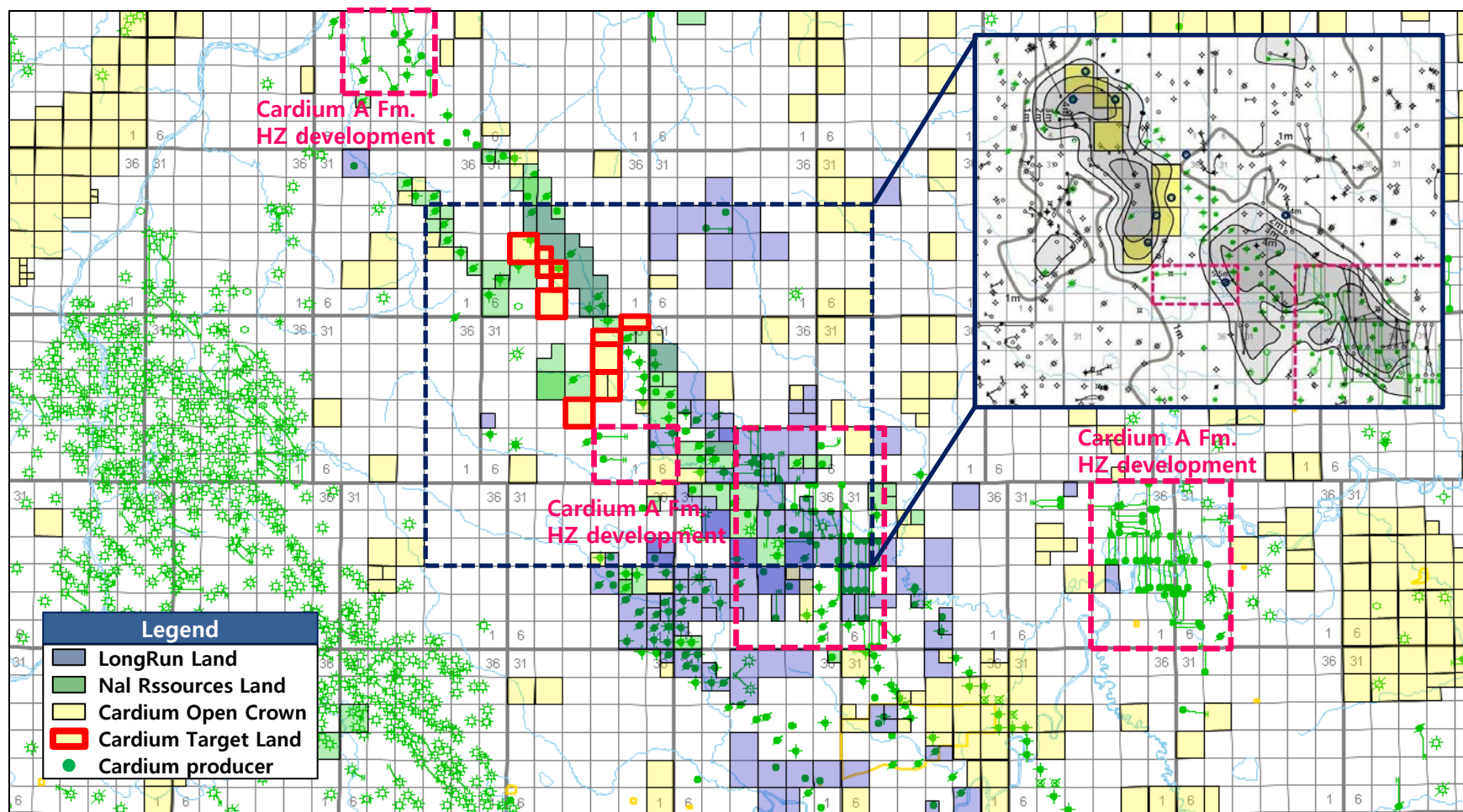
- Total 20 horizontal multi-frac drilling potential in 7 sections of land.

Category	Specification
Outline	<ul style="list-style-type: none"> • Light oil project near Pine Creek (150 km W Edmonton) • 7 net sections with 20 HZ drill locations in Cardium Fm. - Located offsetting TORC oil and NAL Resources HZ development
Geology	<ul style="list-style-type: none"> • Cardium A formation : Colorado Group (Cretaceous-age) - Sandstone reservoir, TVD 2,000 m (SSL -680 m) - max. 5 m net pay with 6 % porosity cut - Estimated EUR using 20 well program : 3.1 MMbbls
Land	<ul style="list-style-type: none"> • PNG Rights : 7 net sections (1,792 hectares) - Various
Evaluation	<ul style="list-style-type: none"> • TORC Oil & Gas : developing massive oil and gas pool - Oil in place : 5 MMbbls/section (4 wells/section spacing) - Depth of Cardium A : 1,600~2,000 m - Oil quality : 40 degree API
Development	<ul style="list-style-type: none"> • Development Economics (based on Torc Oil & Gas) - DCET : 2.7 MM\$ - IP 365 : 85 Bopd, Reserves : 156 Mbbls/well - NPV@10 : 3.1 MM\$, ROR(Rate of Return) : 61 %, Payout 1.6 years
Upside	<ul style="list-style-type: none"> • Offsetting crown land expansion potential



■ PINE CREEK CARDIUM LIGHT OIL PROJECT

- 7 sections extended Cardium A horizontal development offsetting NAL Resources, Long Run Exploration and Torc Oil & Gas.

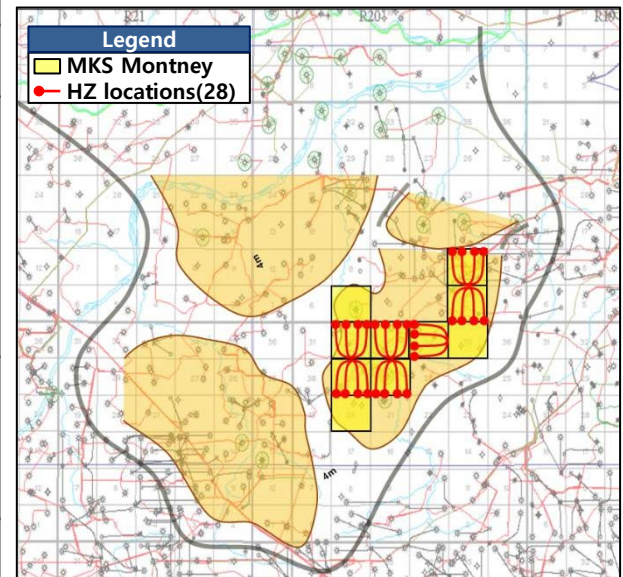
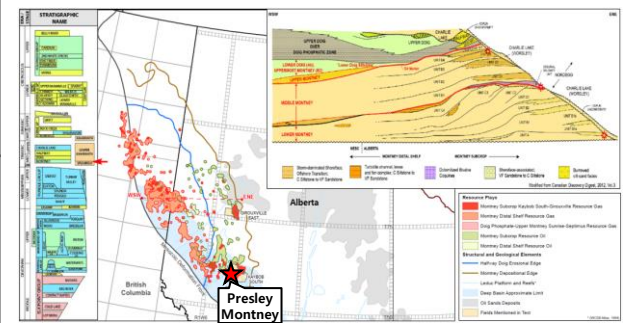


6. PRESLEY MONTNEY LIQUID RICH GAS PROJECT

- Total 28 horizontal multi-frac drilling potential in 10 sections of land.

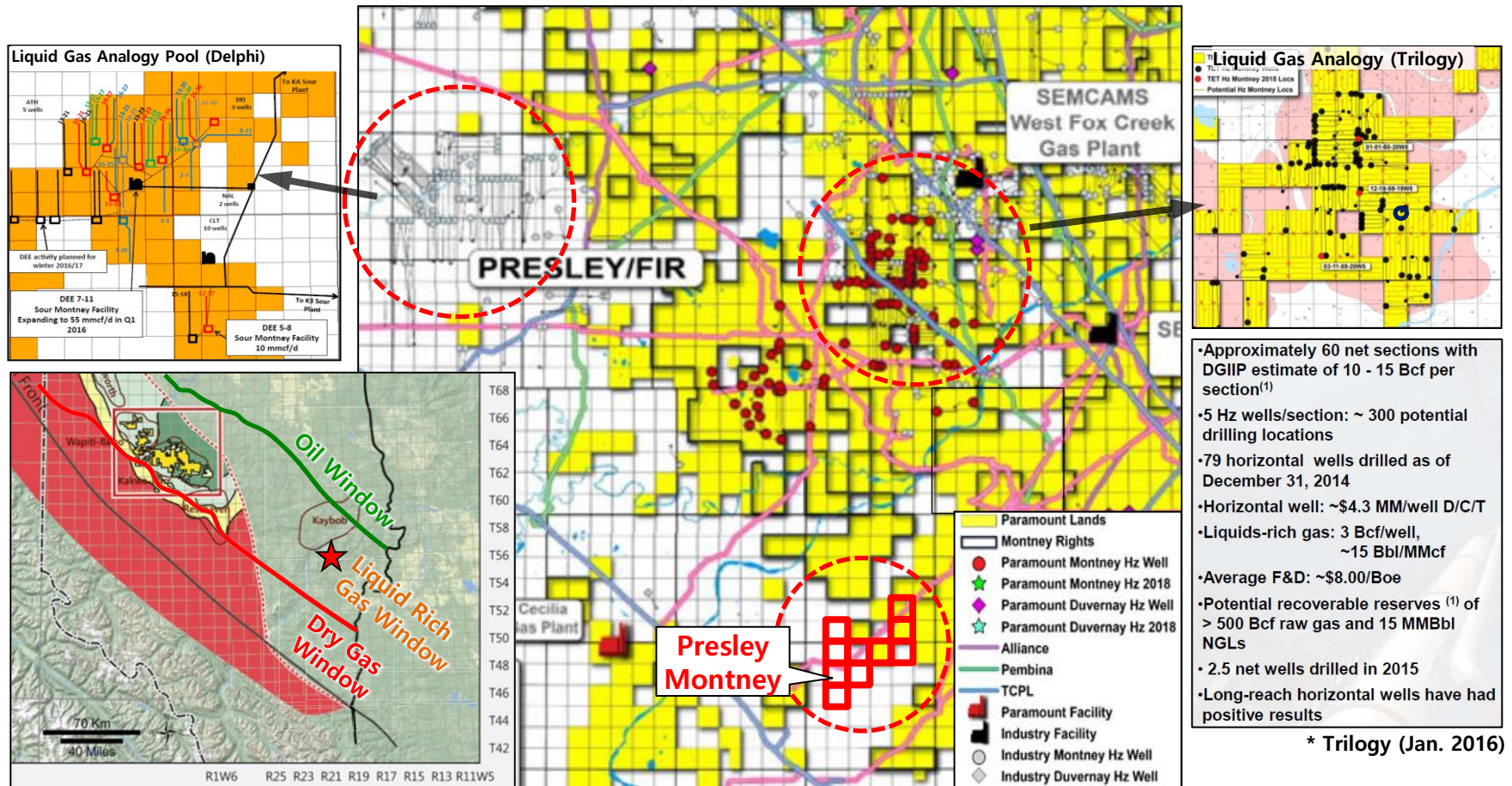
Category	Specification
Outline	<ul style="list-style-type: none"> • Liquid rich gas project near Presley (150 km NW Edmonton) • 10 net sections with 28 HZ drill locations in Montney Fm. - Located in south of Trilogy and Delphi Energy (HZ development)
Geology	<ul style="list-style-type: none"> • Montney formation (middle Triassic age) <ul style="list-style-type: none"> - Dolostone reservoir with Coquina, TVD 2,700 m (SSL -1,700 m) - max. 5 m net pay ($\phi > 3\%$) → Delphi used 0 % porosity cut. - estimated EUR 5.0 MMbbls
Land	<ul style="list-style-type: none"> • PNG Rights : 10 net sections (2,560 hectares) - Various
Evaluation	<ul style="list-style-type: none"> • Trilogy Energy : developing massive oil and gas pool north of land <ul style="list-style-type: none"> - GIIP estimate of 10~15 Bcf /section - Liquid rich gas : 3 Bcf gas + 45 Mmblls NGL (15 bbls/MMcf) • Delphi Energy : developing liquid rich gas pool at NW of land • Dolostone reservoir with Coquina deposited
Develop ment	<ul style="list-style-type: none"> • Development Economics (based on Trilogy HZ wells) <ul style="list-style-type: none"> - 28 HZ locations, DCET 4.3 MM\$ - Per well EUR 545 Mboe, ROR 53 %, Payout 1.5 y, NPV@10 3 MM\$
Upside	<ul style="list-style-type: none"> • Duvernay liquid rich gas development potential (9 sections)

Property Map



■ PRESLEY MONTNEY EVALUATION SUMMARY

- 10 sections extended Montney liquid rich gas trend from Paramount Resources lands in the north of acquired land position
- High development potential based on geological evaluation with thick dolostone with coquina
- Duvernay liquid rich gas development potential (9 sections)

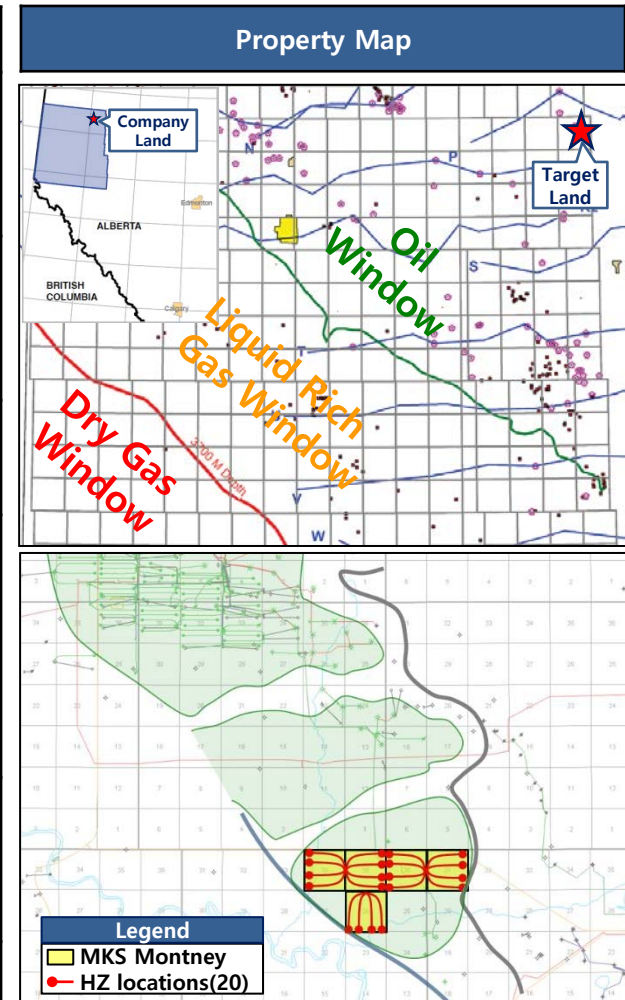


* source : Trilogy / Delphi (Jan. 2016) and Paramount (Aug., 2018)

7. SHADOW MONTNEY LIGHT OIL PROJECT

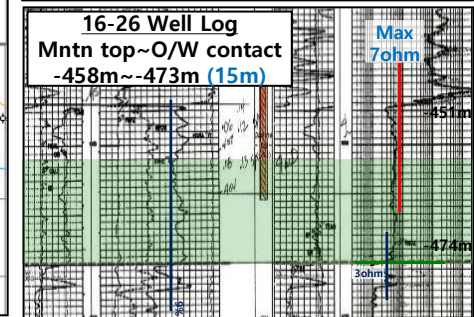
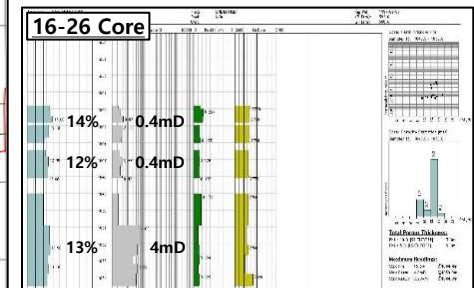
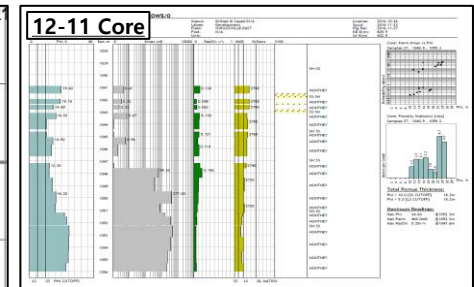
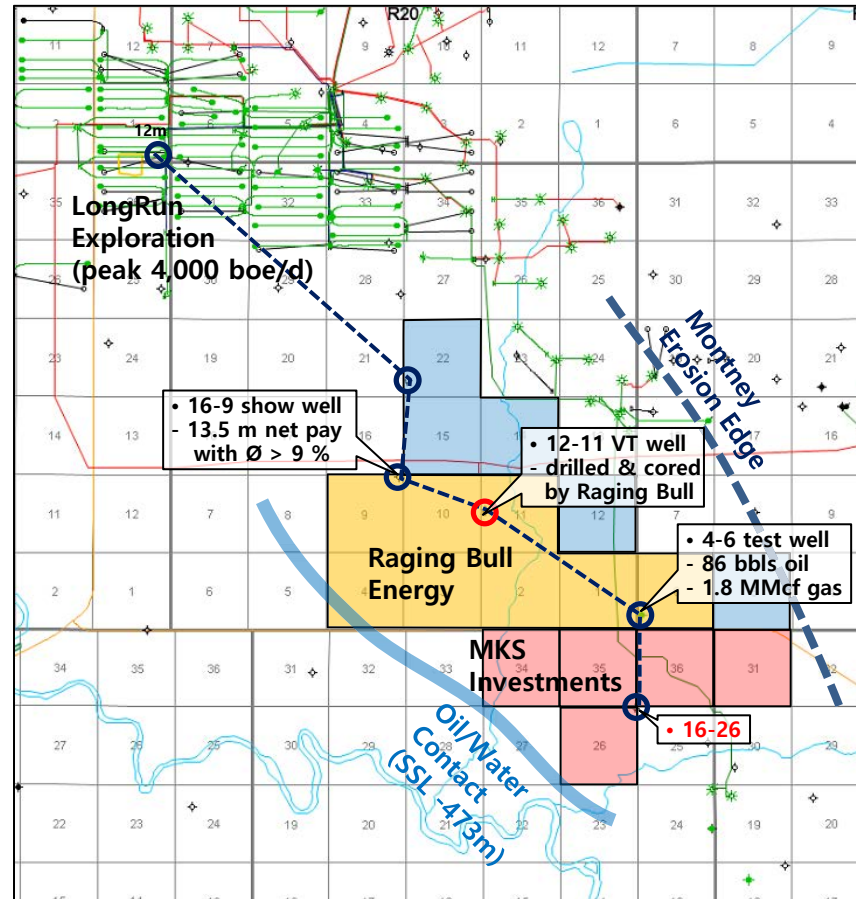
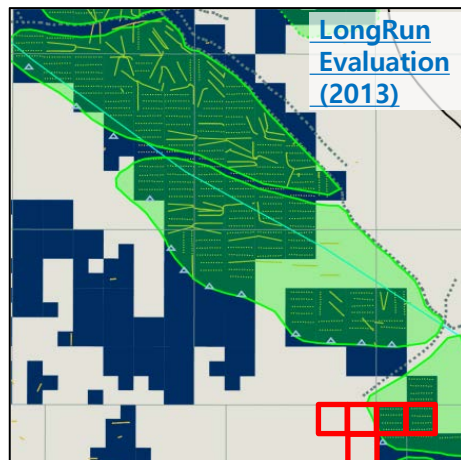
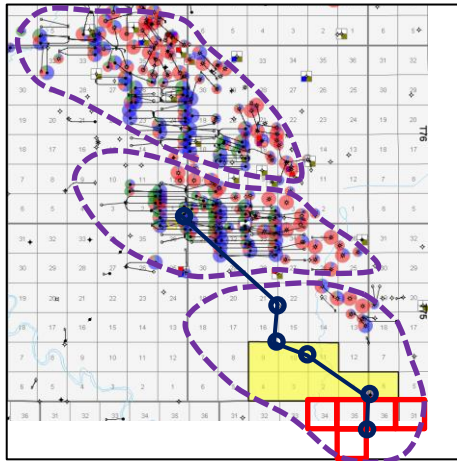
- Total 20 horizontal multi-frac drilling potential in 5 sections of land.

Category	Specification
Outline	<ul style="list-style-type: none"> • Light oil project near Girouxville, Alberta (440 km NW ~ Edmonton) • 5 net sections with 20 HZ drill locations in Montney Fm. <ul style="list-style-type: none"> - South of massive light oil development of LongRun Exploration.
Geology	<ul style="list-style-type: none"> • Montney formation (middle Triassic age) <ul style="list-style-type: none"> - Sandstone/Siltstone reservoir, TVD 1,050 m (SSL -463.5 m) - max. 10 m net pay ($\phi > 9\%$), estimated EUR 3.0 MMbbls
Land	<ul style="list-style-type: none"> • PNG Rights : 5 net sections (1,280 hectares) - All Surface ~ Basement
Evaluation	<ul style="list-style-type: none"> • Offsetting operators <ul style="list-style-type: none"> - LongRun Girouxville MntnEast A (Peak production of 4,000 bbls/d) • Offsetting land holder : Raging Bull, Nine Ring etc • Horizontal type well : 05-32 (Long Run), C : 49 Mbbl & 188 MMcf • Key well : 04-06 (Penn West), C : 0.1 Mbbl & 1.8 MMcf
Development	<ul style="list-style-type: none"> • Development Economics (based on LongRun Montney HZ wells) <ul style="list-style-type: none"> - 20 HZ locations, DCET 2.0 MM\$ - EUR 138 Mboe, ROR 30.7%, Payout 3.2 years, NPV@10 22.3 MM\$
Upside	<ul style="list-style-type: none"> • Land expansion and Waterflooding potential



■ SHADOW MONTNEY EVALUATION SUMMARY

- 5 sections : All sections from surface to basement
- High development potential near 16-26 with over 15 m oil column from well log and core analysis

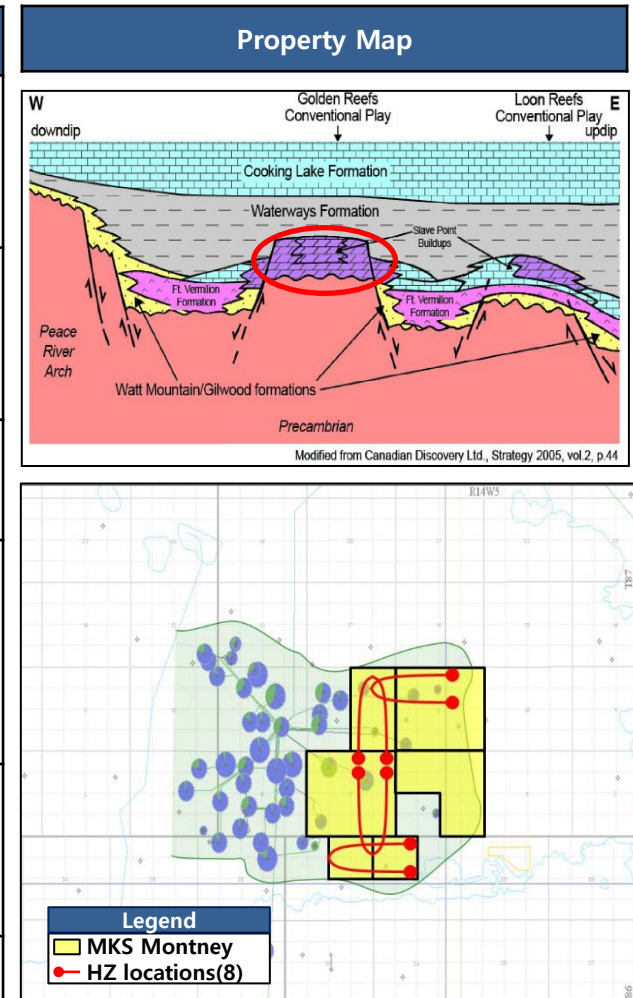


* source : Redhills (2015) & Longrun (2013)

8. GOLDEN SLAVE POINT LIGHT OIL PROJECT

- Total 8 horizontal multi-frac drilling potential in 3.75 sections of land.

Category	Specification
Outline	<ul style="list-style-type: none"> • Light oil project near Golden, Alberta (360 km NW ~ Grande Prairie) • 3.75 net sections with 8 HZ drill locations <ul style="list-style-type: none"> - East of oil producing property operated by Harvest
Geology	<ul style="list-style-type: none"> • Slave Point, Gilwood formation <ul style="list-style-type: none"> - Carbonate reservoir, TVD 1,620 m - max. 12 m net pay ($\phi > 12\%$), estimated EUR 3.0 MMbbls
Land	<ul style="list-style-type: none"> • PNG Rights : 3.75 net sections (960 hectares) - All Surface ~ Basement (0.75 section except Gilwood Fm.)
Evaluation	<ul style="list-style-type: none"> • Offsetting operators <ul style="list-style-type: none"> - Harvest Operation (Daily production of 220 bbls/d) • Tighter to east side with up dip structure • East side partially dolomitized with EUR of 5.3 MMbbls
Development	<ul style="list-style-type: none"> • Development Economics <ul style="list-style-type: none"> - 8 HZ locations, DCET < 2.0 MM\$ - ROR (Rate of Return) 82 %, Payout 1.9 years, NPV@10 34.6 MM\$
Upside	<ul style="list-style-type: none"> • Waterflooding potential



■ GOLDEN SLAVE POINT EVALUATION SUMMARY

- 3.75 sections : surface ~ basement (3 sections), surface ~ basement except Gilwood (0.75 sections)
- Max bid price was 1,286 \$/ha in 2012 by Harvest Operation
- High development potential based on geological evaluation (thin and tight formation need horizontal drilling)

