



LONG FORTUNE PETROLEUM (SK) CORPORATION
PROPERTY DIVESTITURE



OVERVIEW INFORMATION

Bid Deadline: 12:00 pm November 17, 2022

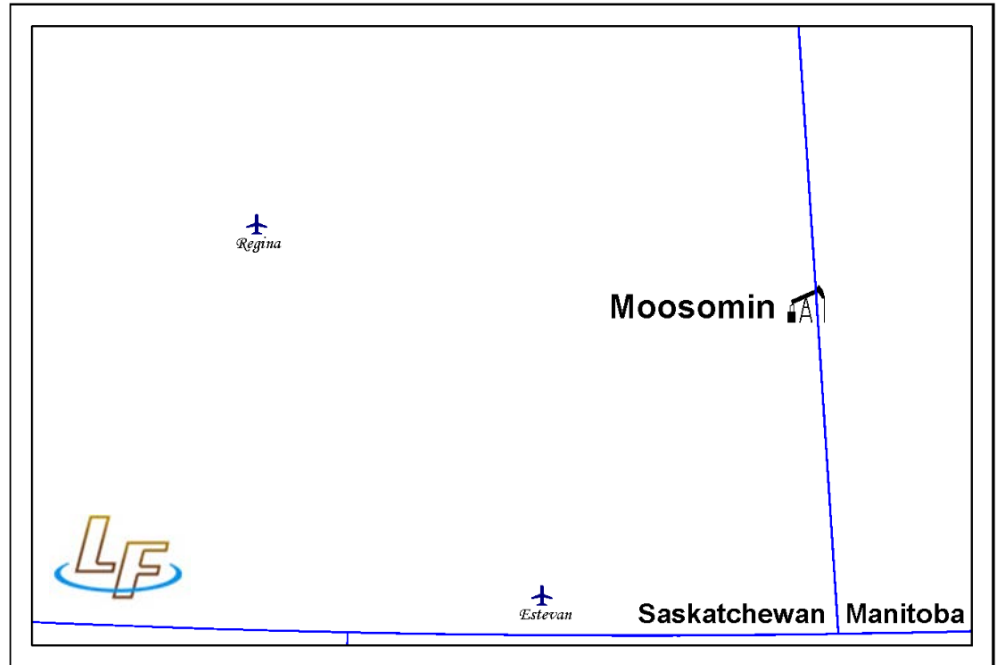
**Property Divestiture:
Moosomin, Saskatchewan
14 bbl/d of Oil**



Long Fortune Petroleum (SK) Corporation (“Long Fortune” or the “Company”) has engaged **Sayer Energy Advisors** to assist the Company with the sale of its oil and natural gas interests located in the *Moosomin* area of southeastern Saskatchewan (the “Property”).

Daily production net to Long Fortune for the second quarter of 2022 was approximately 14 barrels of oil per day.

Operating income net to Long Fortune for the second quarter of 2022 averaged approximately \$32,700 per month, or approximately \$392,400 on an annualized basis.



Long Fortune estimates the Bakken Formation at *Moosomin* to contain over four million barrels of oil reserves with estimated recoverable reserves of about 1.2 million barrels of oil.

PROCESS & TIMELINE

Sayer Energy Advisors is accepting cash offers to acquire the Property until **12:00 pm on Thursday November 17, 2022**.

Timeline		
Week of October 17, 2022		Preliminary Information Distributed
Week of October 17, 2022		Data Room Opens
November 17, 2022	12:00 noon	Bid Deadline
December 1, 2022		Effective Date
December 2022		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, November 17, 2022.

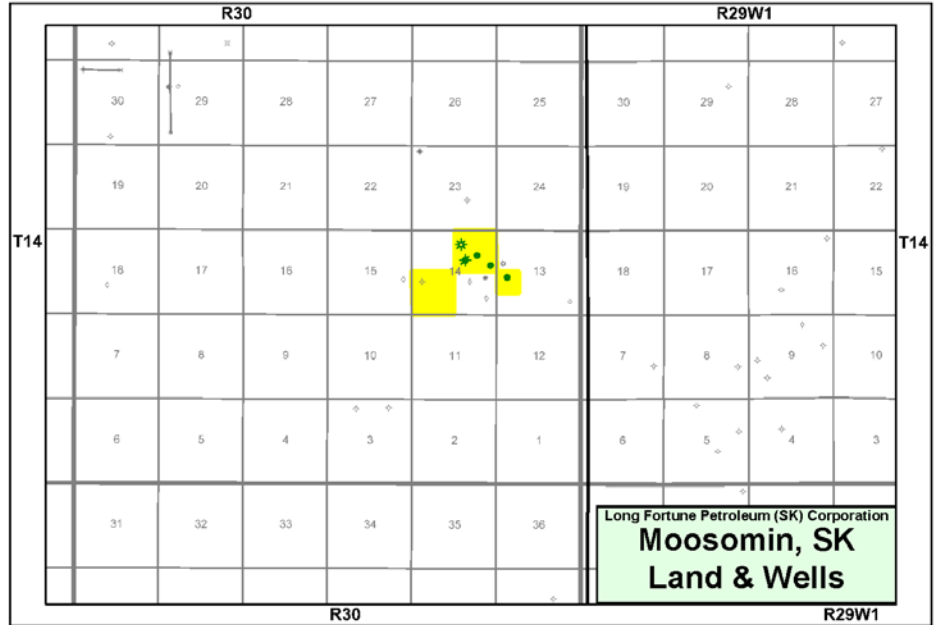


Moosomin, SK Property

Township 14, Range 30 W1

At *Moosomin*, Long Fortune holds a 100% working interest in the 111/09-14-014-30W1/0 and 121/09-14-014-30W1/0 oil wells which produce from the Bakken Formation and the suspended oil well 101/10-14-014-30W1/0. Long Fortune also holds a 20% working interest in the 131/05-13-014-30W1/0 oil well operated by **Dawn Energy Inc.** which produces oil from the Bakken Formation at a rate of approximately six barrels of oil per day gross.

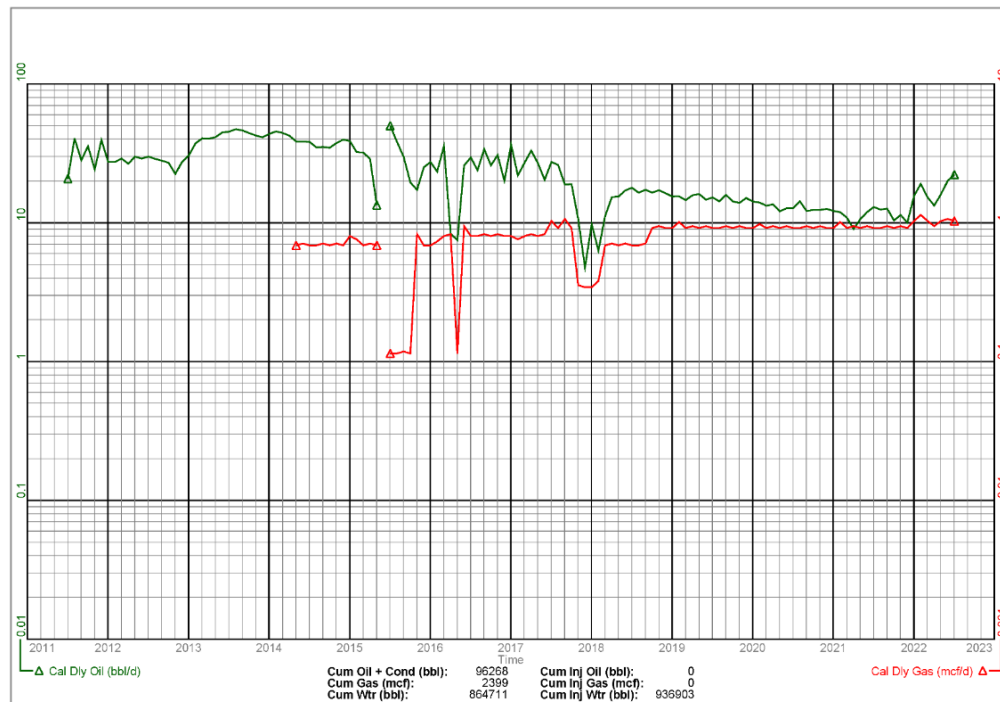
Long Fortune holds a 100% working interest in the water disposal well *Long Fortune Moosomin 121/15-14-014-30W1/02*. The Company injects salt water at a rate of approximately 400 barrels of water per day into the Mannville Group.



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Moosomin, Saskatchewan – Gross Production Group Plot of Long Fortune’s Oil & Natural Gas Wells





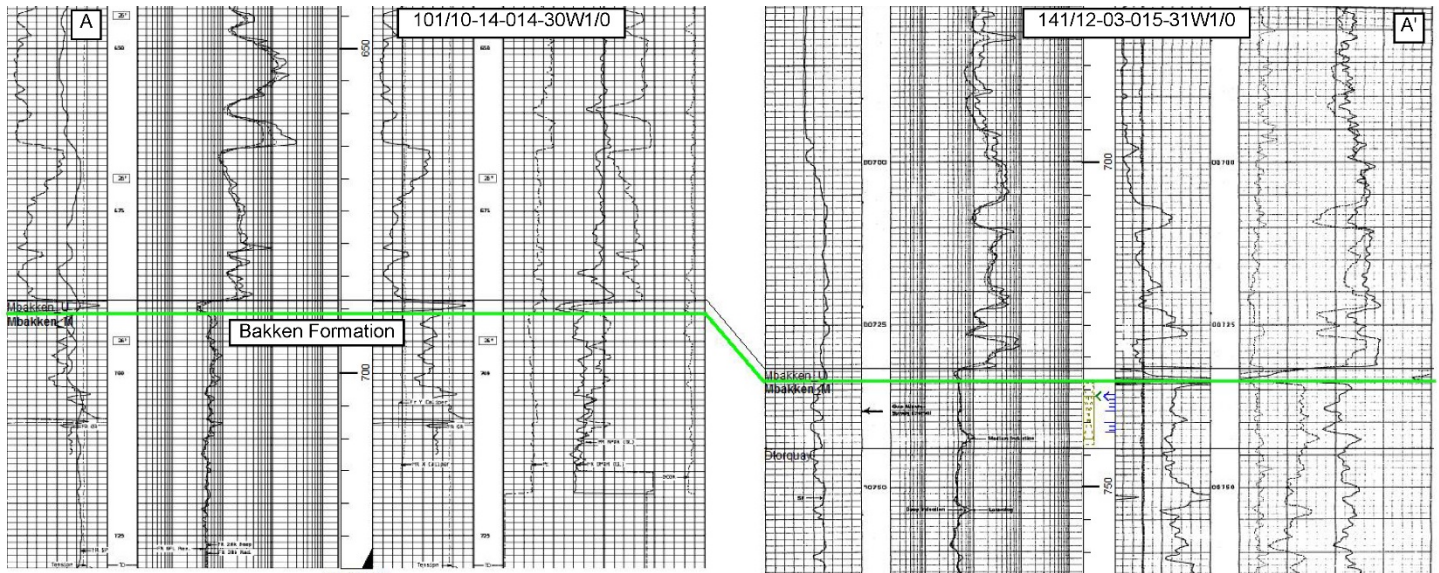
Bakken Formation

Long Fortune estimates the Bakken Formation at *Moosomin* to contain over four million barrels of oil reserves with estimated recoverable reserves of about 1.2 million barrels of oil. Regionally, the Bakken is laterally distributed evenly and is independent of stratigraphy structure and has very economic development potential.

There are more than 300 wells producing from Bakken formation with the nearest production about 10 kilometers away to the southeast of Long Fortune’s interests at *Moosomin*. The average daily production is in the range of 30 – 100 barrels per well.

All four of Long Fortune’s wells have been drilled through the Bakken formation showing large net pay and a significant natural gas indicator. Brown oil staining can be seen on the drilling cut from the interval 690 metres KB to 700 metres KB in the well *Long Fortune Moosomin 101/10-14-14-30W1/0*. Further details on the geology will be provided in the confidential virtual data room for parties that execute a confidentially agreement.

The following cross-section compares the 101/10-14-14-30W1/0 well to the well *CPEC Red Jacket 41/12-03-15-31W1/0* well, which has cumulative oil production of over 70,000 barrels. Both wells have similar porosity and resistivity logs. The producing zone in Long Fortune’s 101/10-14 well is about 10 metres higher than that of the 41/12-03 well. Long Fortune believes this indicates that the performance of well 101/10-14 will be better than the 41/12-03 well.



Moosomin LMR

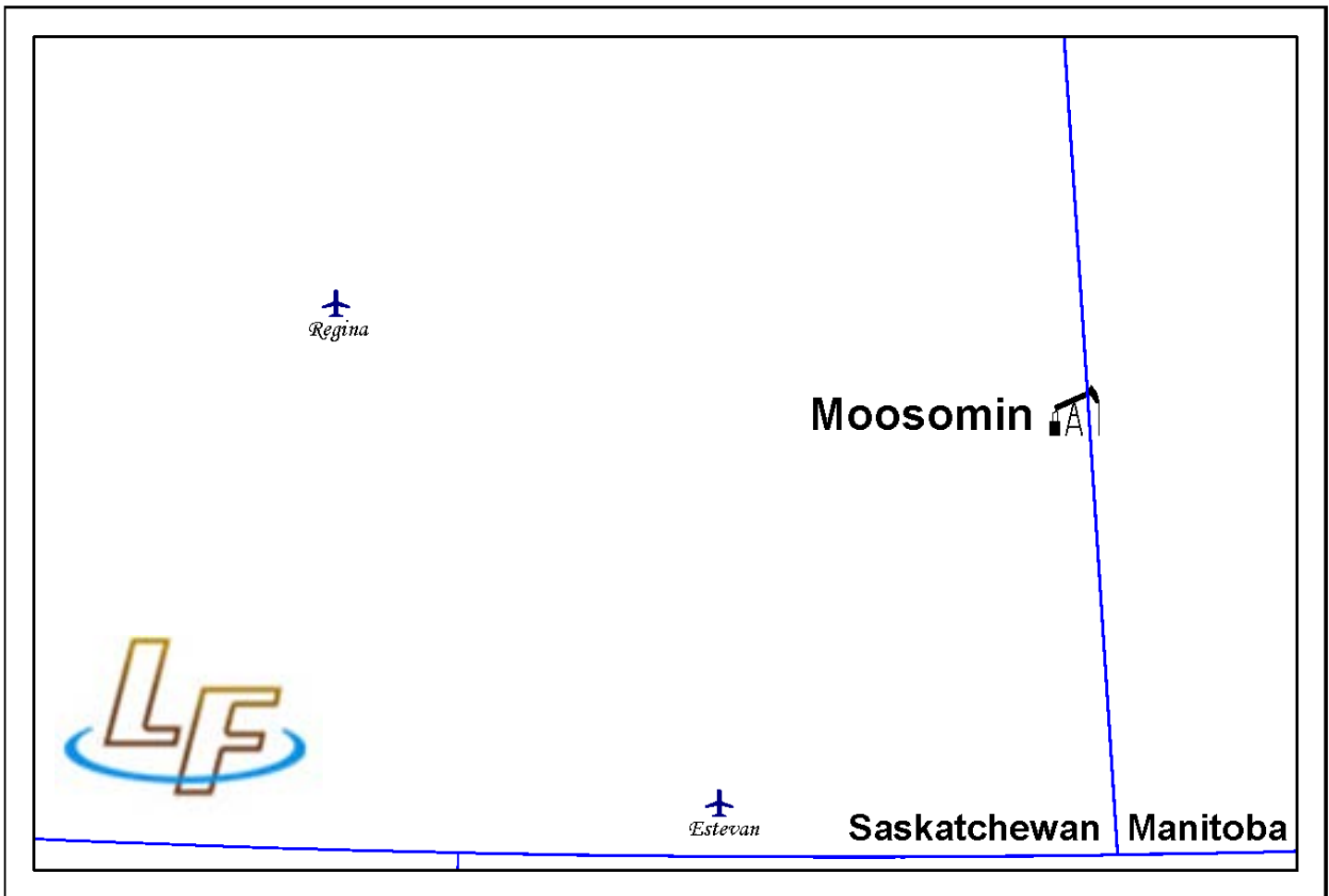
As of August 28, 2022, Long Fortune’s net deemed asset value for the *Moosomin* property was (\$24,656) (deemed assets of \$288,504 and deemed liabilities of \$313,160), with an LMR ratio of 0.92.

Deemed Assets	Deemed Liabilities	Net Deemed Assets	LMR
\$288,504	\$313,160	(\$24,656)	0.92





Long Fortune Petroleum (SK) Corporation Property Divestiture Fall 2022



CONTACT

Parties wishing to receive access to the confidential information with detailed information relating to this opportunity should execute the confidentiality agreement which is attached to this correspondence 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, most recent net operations summary, LMR information and other relevant technical information.

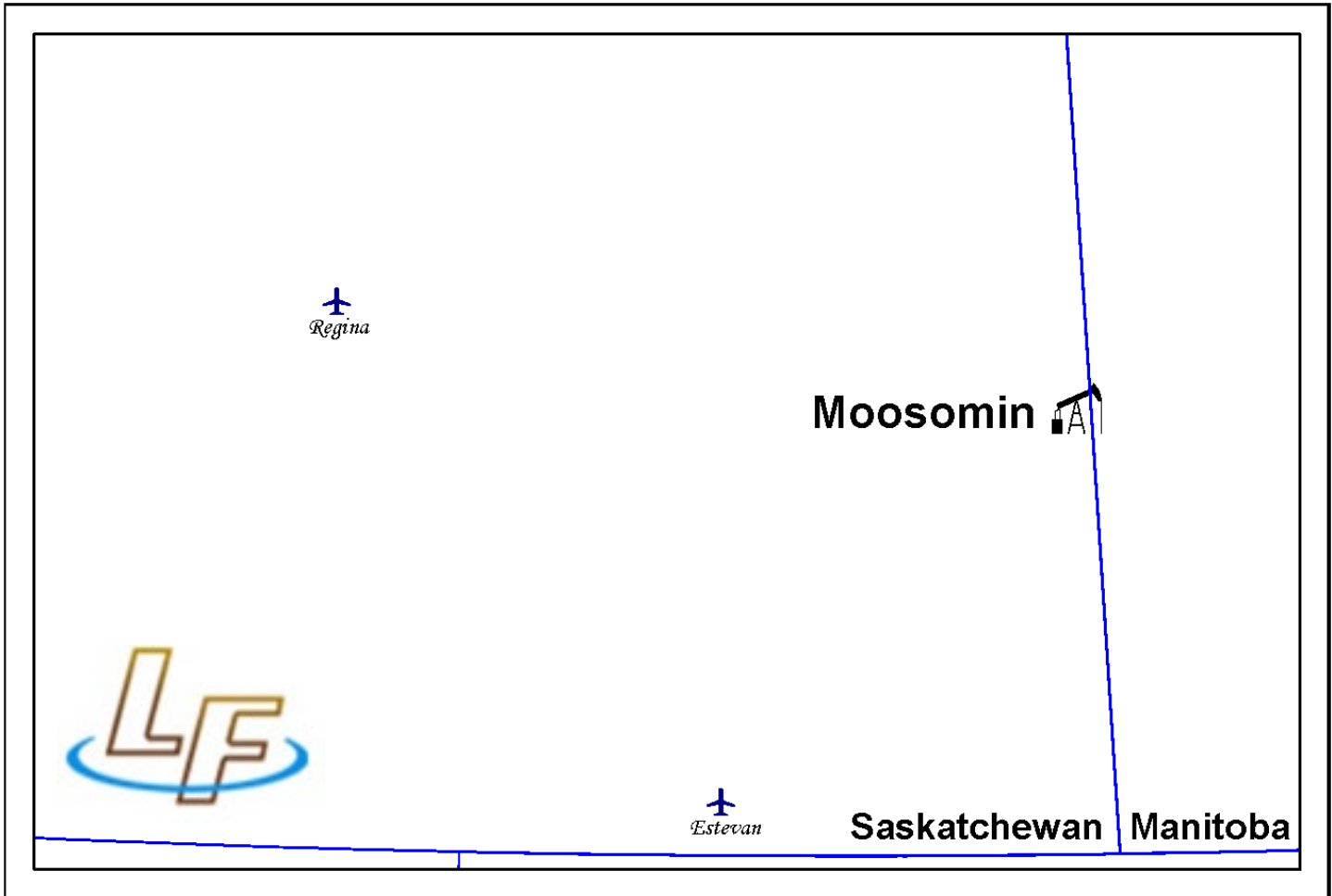
To receive further information on the Property please contact Ben Rye, Tom Pavic or Grazina Palmer at 403.266.6133.



Overview

Long Fortune Petroleum (SK) Corporation (“Long Fortune” or the “Company”) has engaged **Sayer Energy Advisors** to assist the Company with the sale of its oil and natural gas interests located in the *Moosomin* area of southeastern Saskatchewan (the “Property”).

Overview Map Showing the Location of the Divestiture Property



Moosomin, SK Property

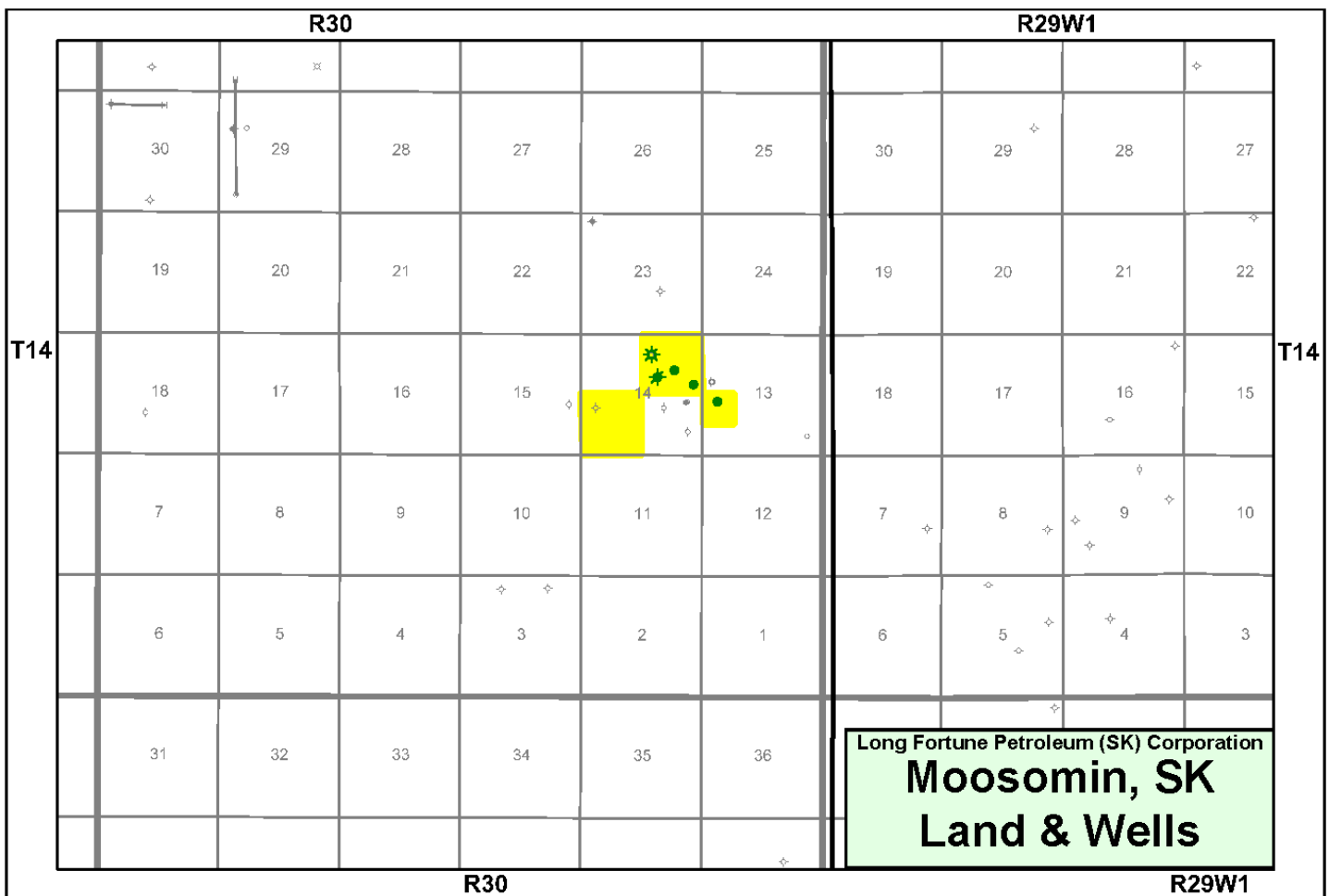
Township 14, Range 30 W1

At *Moosomin*, Long Fortune holds a 100% working interest in the 111/09-14-014-30W1/0 and 121/09-14-014-30W1/0 oil wells which produce from the Gravelbourg Formation and the suspended oil well 101/10-14-014-30W1/0. Long Fortune also holds a 20% working interest in the 131/05-13-014-30W1/0 oil well operated by **Dawn Energy Inc.** which produces oil from the Gravelbourg Formation at a rate of approximately six barrels of oil per day gross.

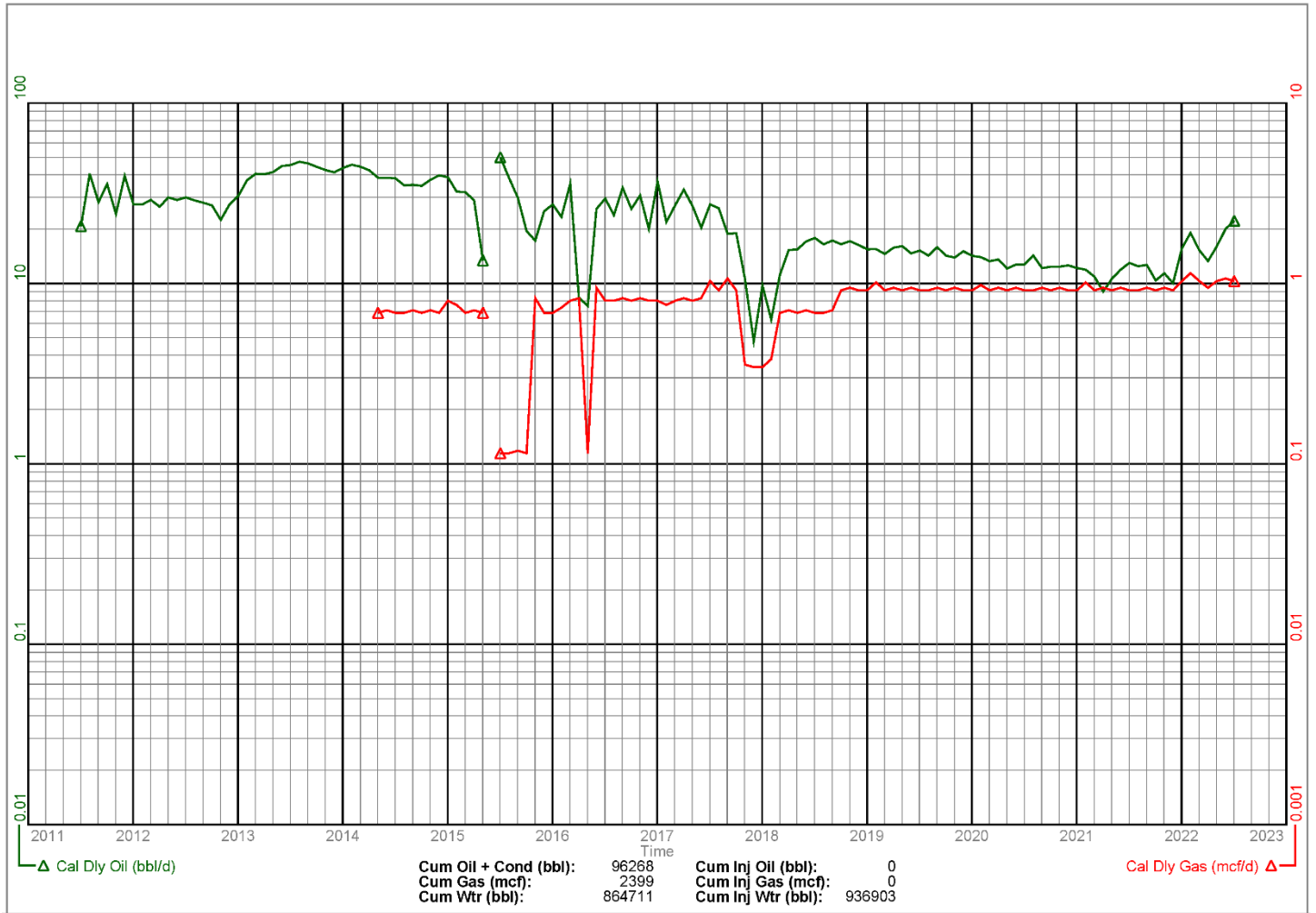
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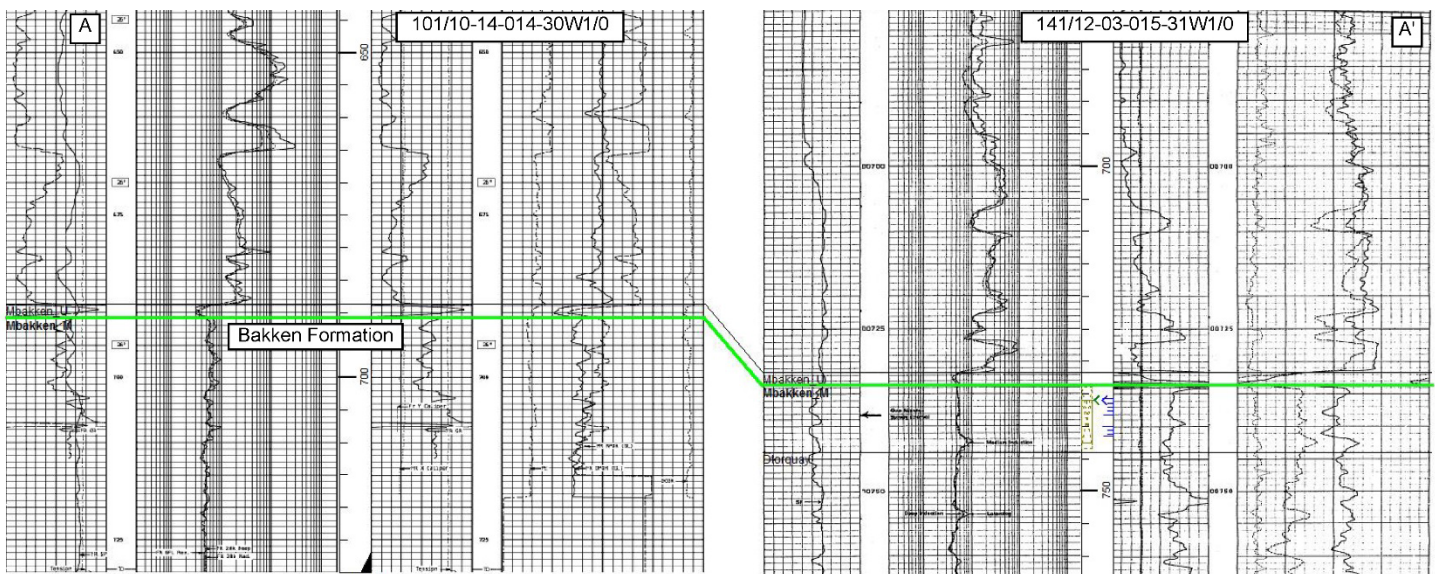
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Moosomin Seismic

The Company has an interest in the Fleming North 3D seismic data relating to the *Moosomin* property.

Moosomin Facilities

The Company has a 100% working interest in a water disposal well at 121/15-14-014-30W1/02.

Moosomin Marketing

Long Fortune has a 30-day evergreen marketing agreement in place with **Kingston Marketing Limited**. Oil is sold at the Kingston Cromer Trucking Terminal from the 15-14-014-30W1 delivery point.

Moosomin Reserves

Long Fortune does not have a third-party reserve evaluation of the *Moosomin* property.

Moosomin LMR

As of August 28, 2022, Long Fortune's net deemed asset value for the *Moosomin* property was (\$24,656) (deemed assets of \$288,504 and deemed liabilities of \$313,160), with an LMR ratio of 0.92.

Deemed Assets	Deemed Liabilities	Net Deemed Assets	LMR
\$288,504	\$313,160	(\$24,656)	0.92

At *Moosomin*, \$170,840 of the total deemed liabilities is associated with a multi well oil battery located at 15-14-014-30W1.

Moosomin Well List

See well list in Excel.

RECIPIENT COMPANY LETTERHEAD

_____, 20____

Long Fortune Petroleum (SK) Corporation
c/o Sayer Energy Advisors
1620, 540 - 5th Avenue SW
Calgary, Alberta T2P 0M2

Attention: Ben Rye

Re: **Confidentiality Agreement**
Property Divestiture

_____ (“Recipient”) has expressed an interest in the purchase of certain oil and natural gas interests owned by Long Fortune Petroleum (SK) Corporation (“Long Fortune”) in the Moosomin area of southeastern Saskatchewan (the “Property”). Long Fortune 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 Long Fortune providing the Confidential Information, Recipient agrees as follows:

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

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

Litng Li
Director