



ACQUISITION OIL CORP.
PROPERTY DIVESTITURE



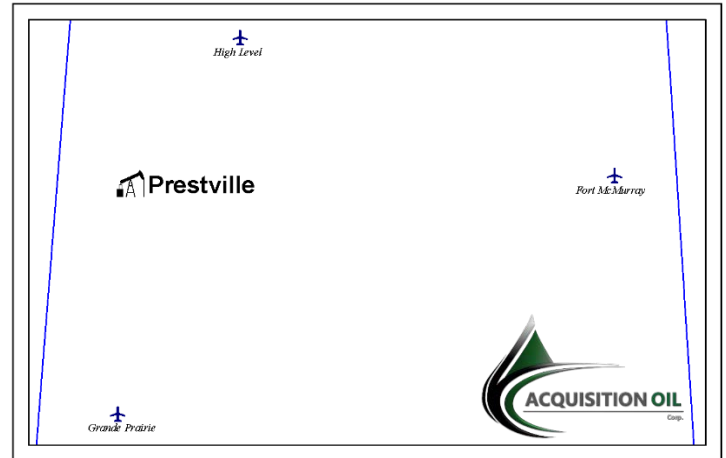
OVERVIEW INFORMATION

Bid Deadline: 12:00 pm January 16, 2025

**Property Divestiture:
Prestville, Alberta
259 bbl/d, 211 Mcf/d (294 boe/d)**



Acquisition Oil Corp. (“AOC” 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 *Prestville* area of Alberta (the “Property”).



At *Prestville*, AOC holds primarily a 100% working interest in 23 sections of land. The Property comprises long-life oil production from the Slave Point Formation. The Slave Point reservoir contains an estimated 18.5 million barrels of original oil in place. The *Slave Point D Pool* has been under waterflood since 2021. The Company has infrastructure and facility capacity at *Prestville* capable of handling full development of the Property. Production from the Property is currently limited by wellhead injection capacity.

Average daily production net to AOC from *Prestville* for the six months ended June 30, 2024 was approximately 294 boe/d, consisting of 259 bbl/d of oil and natural gas liquids and 211 Mcf/d of natural gas.

Operating income net to AOC from *Prestville* for the six months ended June 30, 2024 averaged approximately \$282,000 per month, or \$3.4 million on an annualized basis.

As of October 5, 2024, the Property had a deemed net asset value of \$9.0 million (deemed assets of \$13.0 million and deemed liabilities of \$3.9 million), with an LMR ratio of 3.29.

PROCESS & TIMELINE

Sayer Energy Advisors is accepting cash offers to acquire the Property until **12:00 pm on Thursday January 16, 2025**.

Timeline	
Week of December 2, 2024	Preliminary Information Distributed
Week of December 2, 2024	Data Room Opens
January 16, 2025	12:00 noon
January 1, 2025	Bid Deadline
February 2025	Effective Date
	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, January 16, 2025.

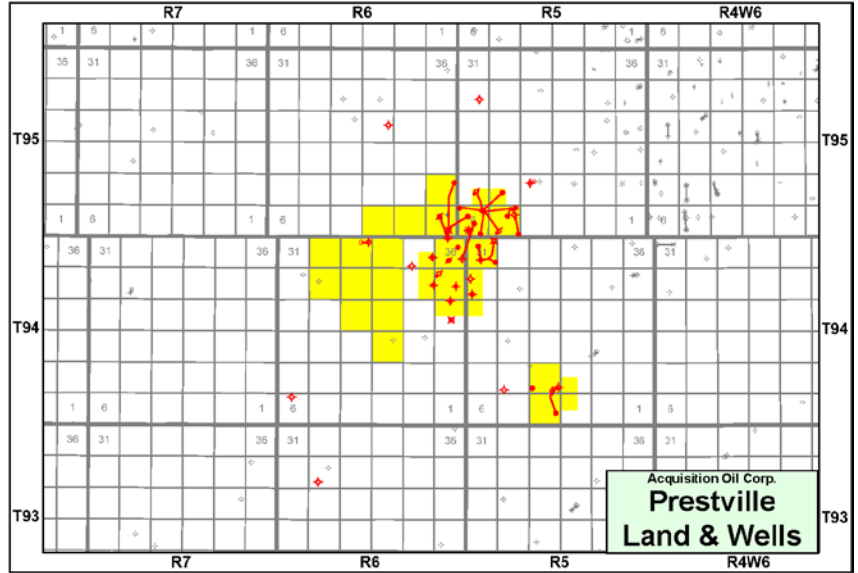


Prestville Property

Township 93-95, Range 5-7 W6

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The Property currently has two water injection wells, *Acquisition Oil Cran 100/03-05-095-05W6/00* and *Acquisition Oil 16-6 Hz Cran 100/07-07-095-05W6/00*. The Company has infrastructure and facility capacity at *Prestville* capable of handling full development of the Property. Production from the Property is currently limited by injection capacity of these two wells.

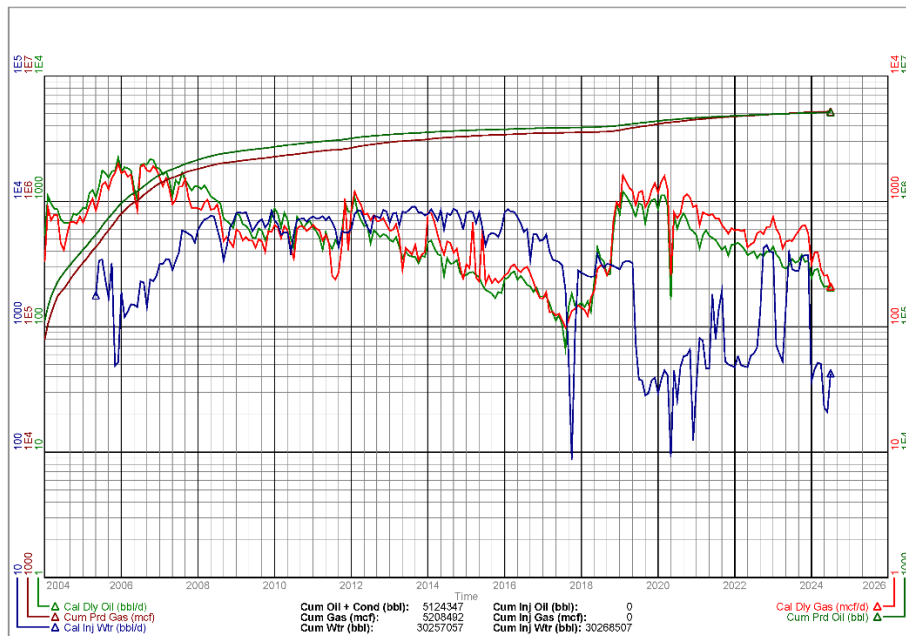


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The *Slave Point D Pool* has been under waterflood since 2021. Peak production, upon full re-pressurization, is estimated at 400 bbl/d to 425 bbl/d of oil based on current injection rates.

Prestville, Alberta – Gross Production Group Plot of AOC’s Oil & Natural Gas Wells





Prestville Upside

At *Prestville*, the Company has initiated a waterflood in the *Slave Point D Pool*. The Property was originally established with several vertical producing wells on the Company's lands targeting the Slave Point Reef.

The play has since transitioned to horizontal development of the Basal Slave Point Formation. Detailed mapping techniques have allowed AOC to determine ideal horizontal well placement, areas of increased porosity and permeability, ideal frac placements and waterflood strategies.

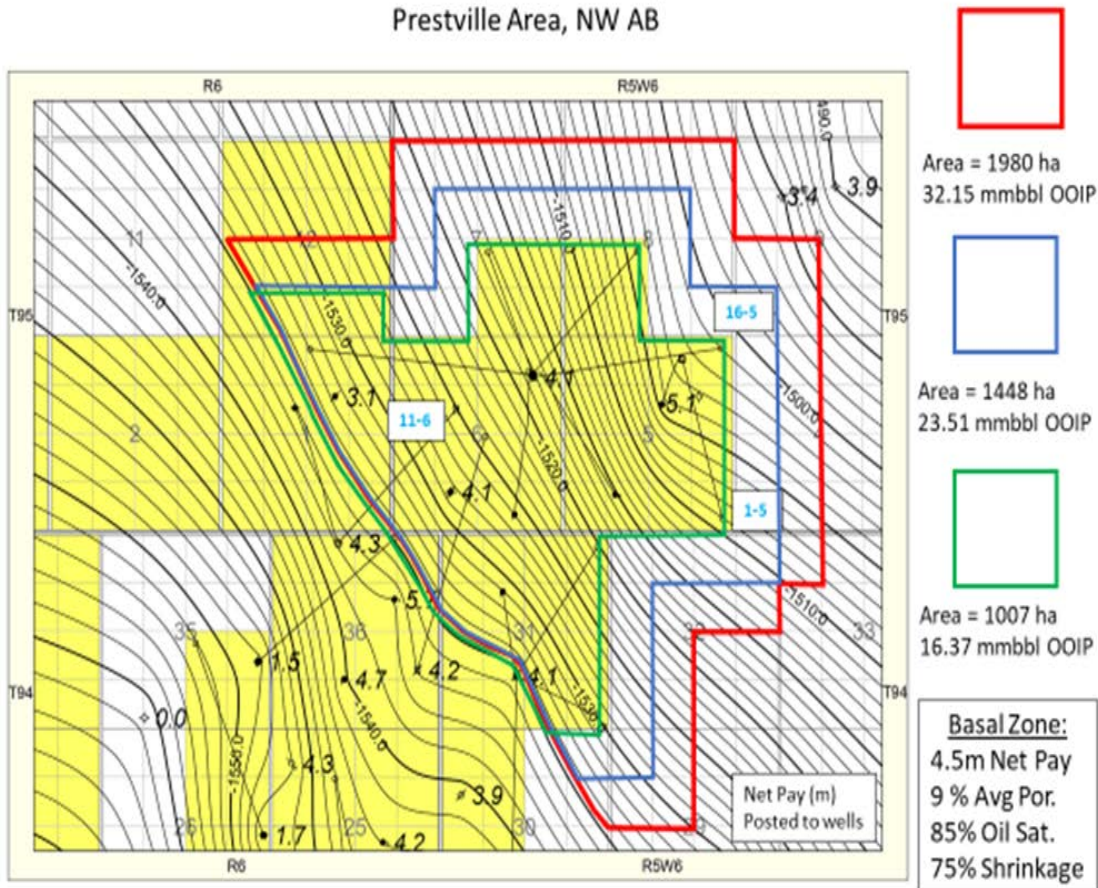
The Basal reservoir is mapped to both the east and west of the *Prestville* pool using vertical well control.

The following map shows the breakdown of original oil in place within the Slave Point Basal zone within certain areas northeast of the oil/water contact which focused development of the Property to the northeast portion. The Company has water injection wells at *Acquisition Oil Cran 100/03-05-095-05W6/00* and *Acquisition Oil 16-6 Hz Cran 100/07-07-095-05W6/00*.

In addition, the Company's lands to the southeast of the oil water contact are prospective for natural gas development in the Bluesky Formation as seen in the well *Acquisition Oil Cranberry 00/16-33-094-06W6/00*.

Production from the Property is currently limited by injection capacity. The Company has identified potential to convert the well *Acquisition Oil Cran 00/10-05-095-05W6/00* to an injection well in order to increase the production.

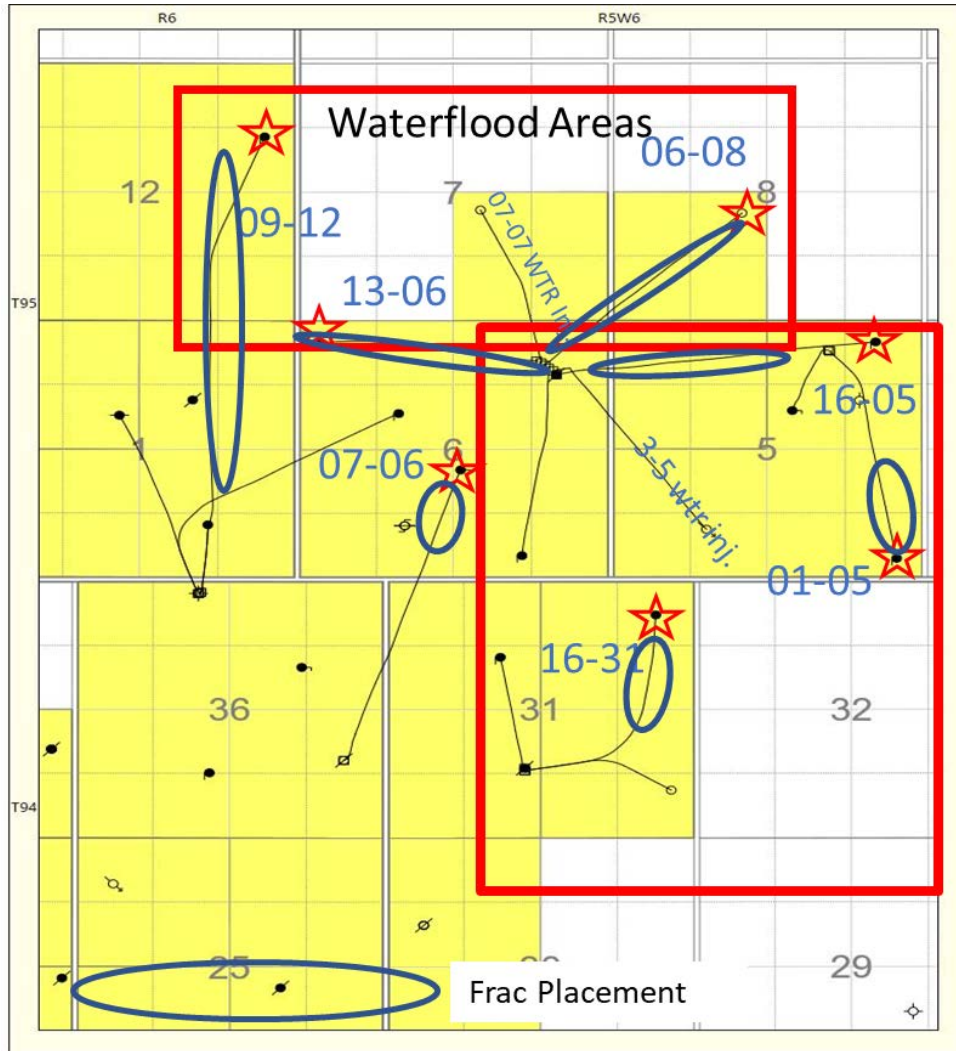
OoIP and Structure Map of Basal Zone, Slave Point Fm.
Prestville Area, NW AB





AOC's *Prestville* waterflood project area is estimated to have original oil in place of 18.5 million barrels with production ranging from current levels with potential to increase up to 600 bbl/d of oil through waterflood expansion and acid fracture stimulations.

The Company believes the frac performance strategy is to manage the pace of stimulations in the pool to ensure that the waterflood areas are not materially de-pressured. It is critical for the stimulation pace to match water injection rates.



AOC believes it is ideal to prioritize stimulating *Acquisition Oil 16-6 Hz Cran 00/06-08-095-05W6/00* as this well drains the updip portion of the pool. Stimulating all of the wells will have better economic results as the localized areas re-pressurize so optimal timing of fracture stimulations on the *00/06-08-095-05W6/00*, *Acquisition Oil Hz Cran 00/09-12-095-06W6/02*, *Acquisition Oil 16-6Hz Cran 00/16-05-095-05W6/02* and *Acquisition Oil 16-6Hz Cran 00/13-06-095-05W6/00* wells will be dependent on this process.

Stimulation at *Acquisition Oil Hz Cran 00/07-06-095-05W6/02* should occur after the water shut off. This well has down dip pressure support and is independent of the other flood areas so production performance will dictate the stimulation timing.





The Basal Slave Point play at *Prestville* continues further to the northeast of the Property and falls within the Caribou Protection Plan area.

Analog data implies that production within each waterflood area will start trending upwards when certain voidage thresholds are achieved. The upward trend in production in Phase 1 is occurring at *Prestville*.

The waterflood project area conservatively represents 15.7 million barrels of OOIP with a reserve life index exceeding 15 years.

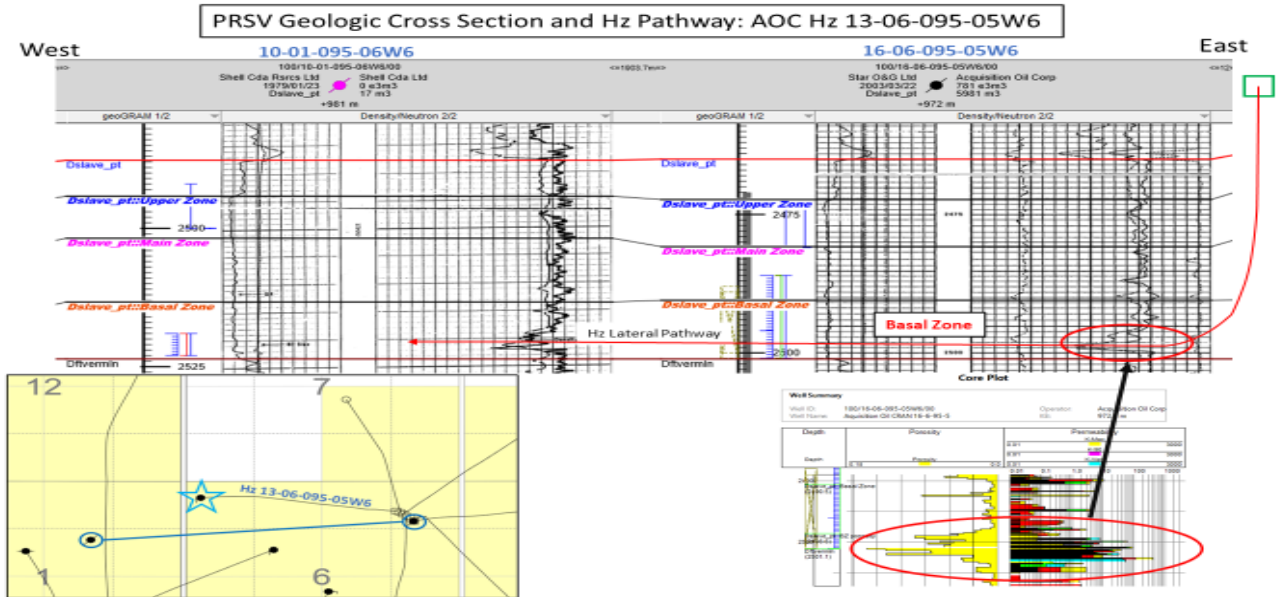
Prestville Waterflood Project Area		
Area (hectares)	1,024	1,216
Average Phi - H (por-m)	0.5	0.5
HCPV (m ³)	3,840,000	4,560,000
Gas Surface to Res Ratio	0.0058	0.0058
Water Saturation	25	25
Reservoir GOR (M ³ /M ³)	147	147
Reservoir Volume Factor	1.54	1.54
Reservoir OOIP (m ³)	2,493,506	2,961,039
(bbl)	15,709,091	18,654,545
Current Recovery	12%	10%
Current Forecast Aggregate	26%	22%
Incremental Recoverable Potential		
Recoverable at 30% OOIP	677,727	1,561,364
Recoverable at 35% OOIP	1,463,182	2,494,091
Recoverable at 40% OOIP	2,248,636	3,426,818
Current RLI at 400 bbl/d		
Current RLI at 400 bbl/d	14.8	14.8
30% Recovery - RLI at 400 bbl/d	19.4	25.6
40% Recovery - RLI at 400 bbl/d	30.1	38.3



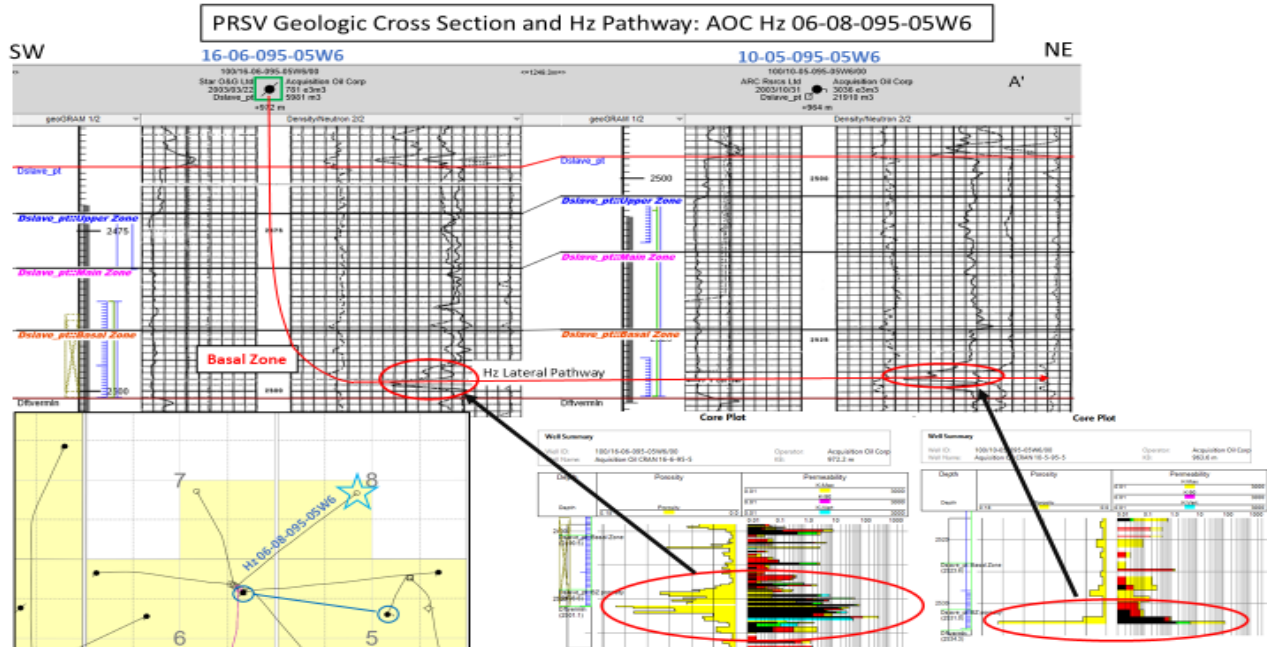


Basal reservoir is mapped to both the east and west of the *Prestville* pool using vertical well control.

The following logs show the horizontal pathway and placement of wells in the Basal Slave Point Formation at *Prestville*.



Internal seismic interpretation geologically aligns with the vertical control points concurrent with strip log data from the drilling operations.



The pool boundaries, oil in place, and response expectations of both the waterflood and stimulations become low risk and definable based on the amount of data that has been extracted through the seismic, logging and drilling operations.



**Prestville LMR**

As of October 5, 2024, the Property had a deemed net asset value of \$9.0 million (deemed assets of \$13.0 million and deemed liabilities of \$3.9 million), with an LMR ratio of 3.29.

Deemed Assets	Deemed Liabilities	Net Deemed Assets	LMR
\$12,983,316	\$3,941,182	\$9,042,134	3.29

Prestville Reserves

AOC prepared an internal reserves evaluation of the Property (the "Reserve Report") as part of the Company's year end reporting. The Reserve Report is effective January 1, 2025 using flat Edmonton oil par pricing of \$86/bbl and natural gas pricing of \$2.25/MMbtu inflated to \$3.50/MMbtu by 2031.

AOC estimates that, as at January 1, 2025, the Property contains remaining proved plus probable reserves of 2.3 million barrels of oil and natural gas liquids and 2.1 Bcf of natural gas (2.6 million boe), with an estimated net present value of \$33.8 million using forecast pricing at a 10% discount.

	Acquisition Oil Corp. as at January 1, 2025						
	COMPANY GROSS RESERVES				PV BEFORE TAX		
	Oil	Natural Gas	Ngl	Total	5%	10%	15%
	Mbbl	MMcf	Mbbl	MBOE	(\$000s)		
Proved Developed Producing	1,302	847	100	1,543	\$30,625	\$24,647	\$20,681
Proved Undeveloped/Non-Producing	242	123	14	276	\$4,020	\$2,533	\$1,799
Total Proved	1,544	969	114	1,819	\$34,645	\$27,180	\$22,480
Probable	475	1,086	127	784	\$10,124	\$6,643	\$4,724
Total Proved Plus Probable	2,019	2,056	241	2,602	\$44,769	\$33,823	\$27,204

The reserve estimates and forecasts of production and revenues for the Company's properties 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.

Prestville Facility

At *Prestville*, AOC owns an interest in the following facility:

Location	Licence #	Description	WI %
100/10-36-094-06W6	F30128	Multi-Well Oil Battery	100

The Company has a multi-well battery at 100/10-36-094-06W6 which includes a main treater, test treater, free water knock out, sales compression and both natural gas dehydration and a JT plant. The 10-36 facility has capacity for 10,000 bbl/d of emulsion handling and 5 MMcf/d of natural gas.

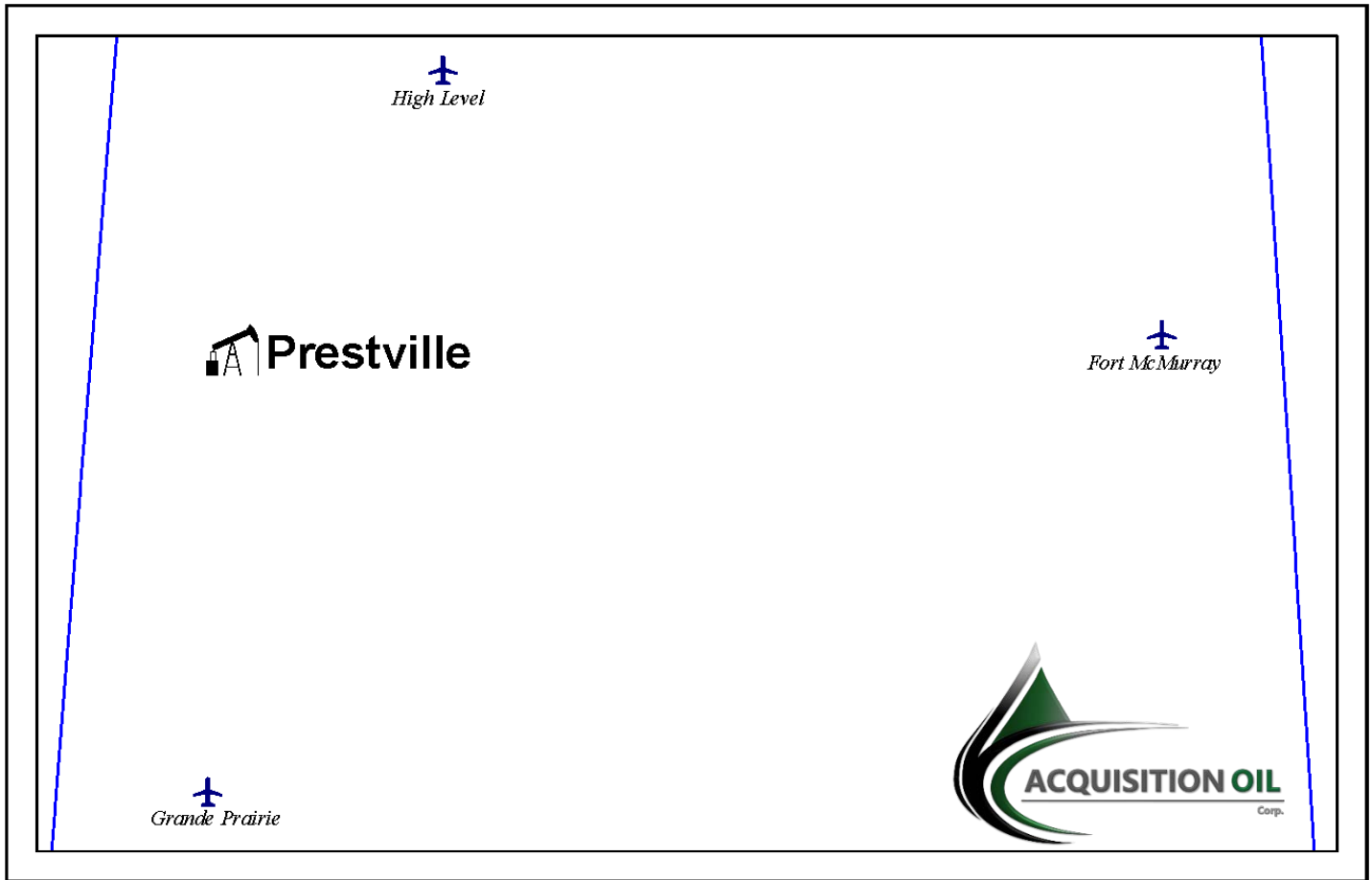
AOC also has water injection wells at *Acquisition Oil Cran 100/03-05-095-05W6/00* and *Acquisition Oil 16-6 Hz Cran 100/07-07-095-05W6/00*.

Further details on the Company's facility will be made available to parties that execute a confidentiality agreement.





Acquisition Oil Corp. Property Divestiture Fall 2024/Winter 2025



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 (tpavic@sayeradvisors.com) or fax (403.266.4467).

Included in the confidential information is the following: summary land information, the Reserves Report, LMR information, most recent net operations summary and other relevant technical information.

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



Overview

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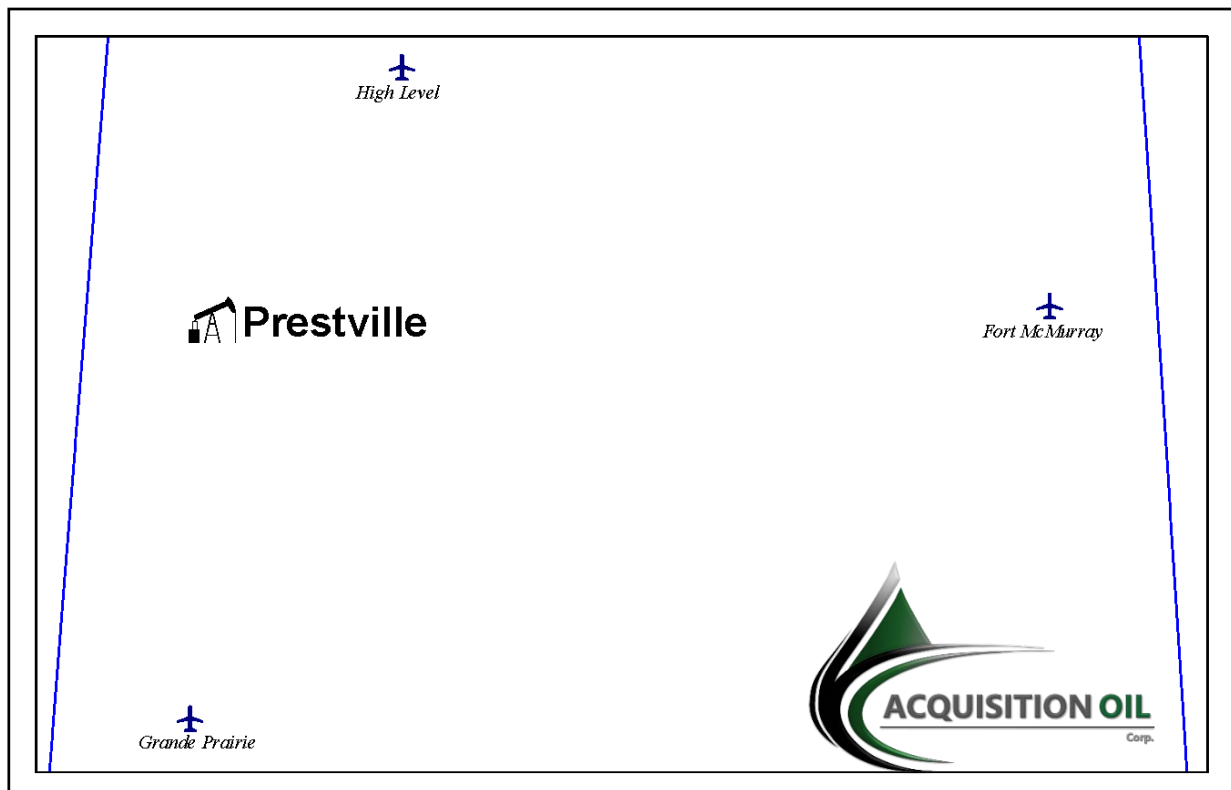
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Overview Map Showing the Location of the Divestiture Property



Prestville Property

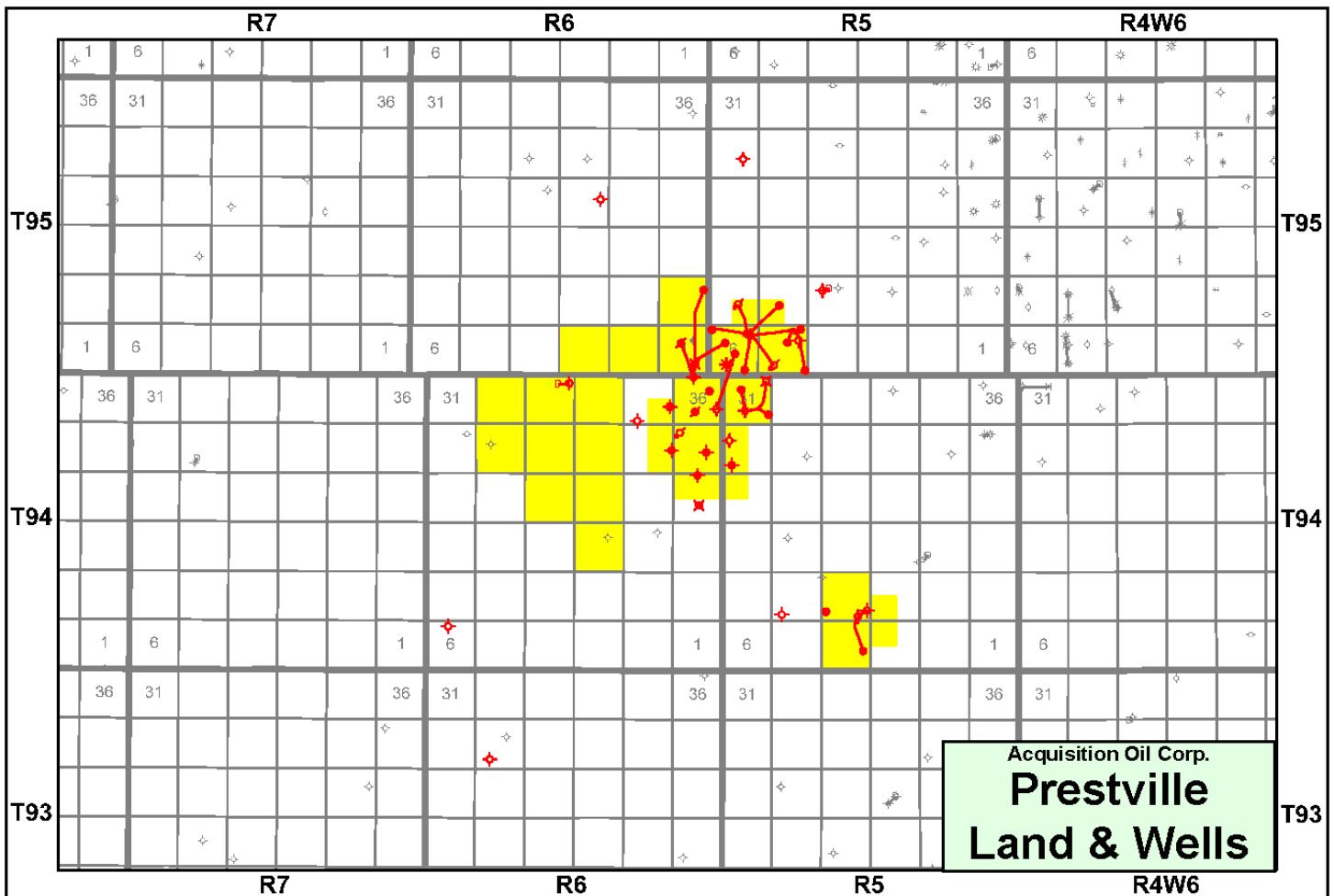
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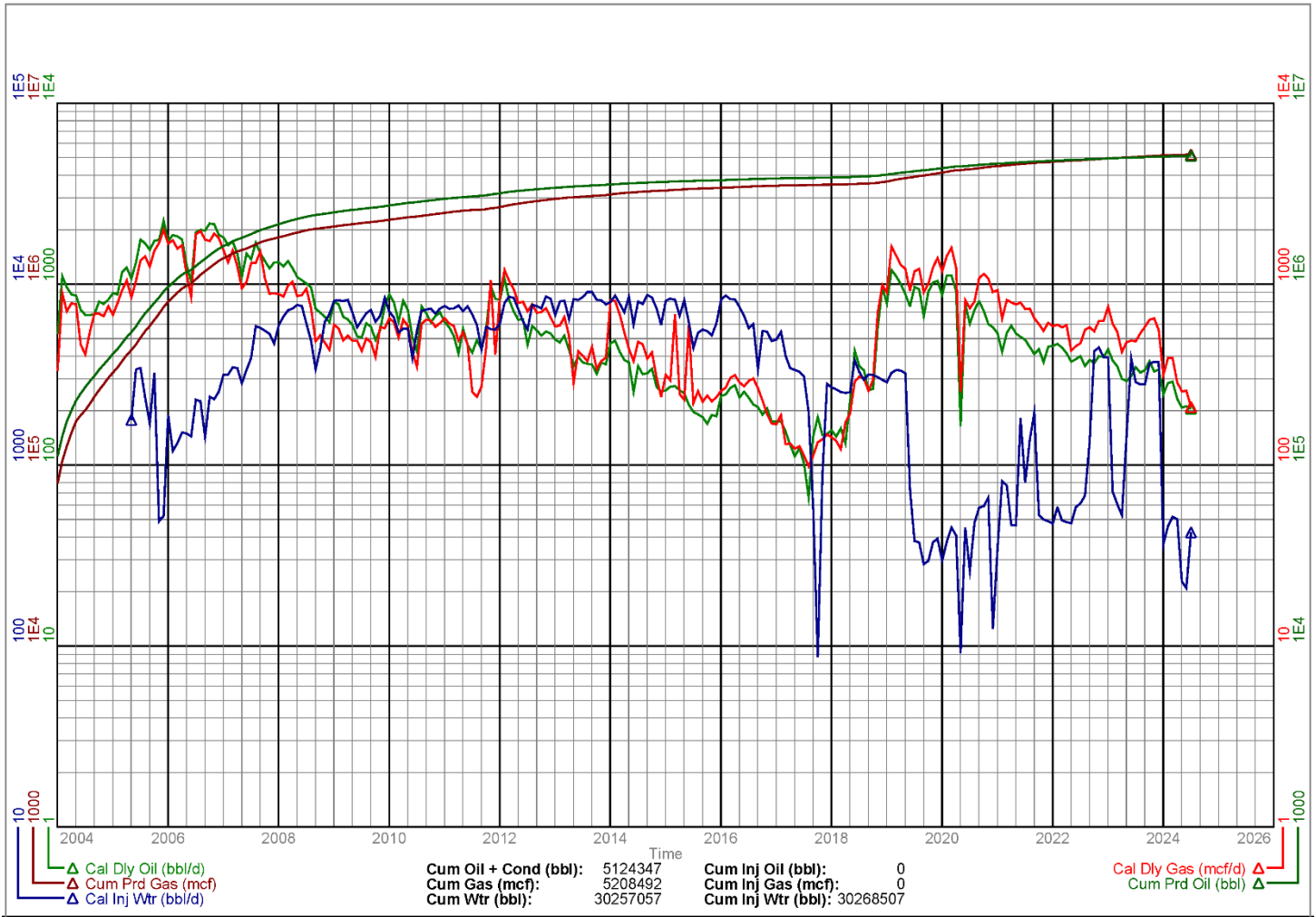
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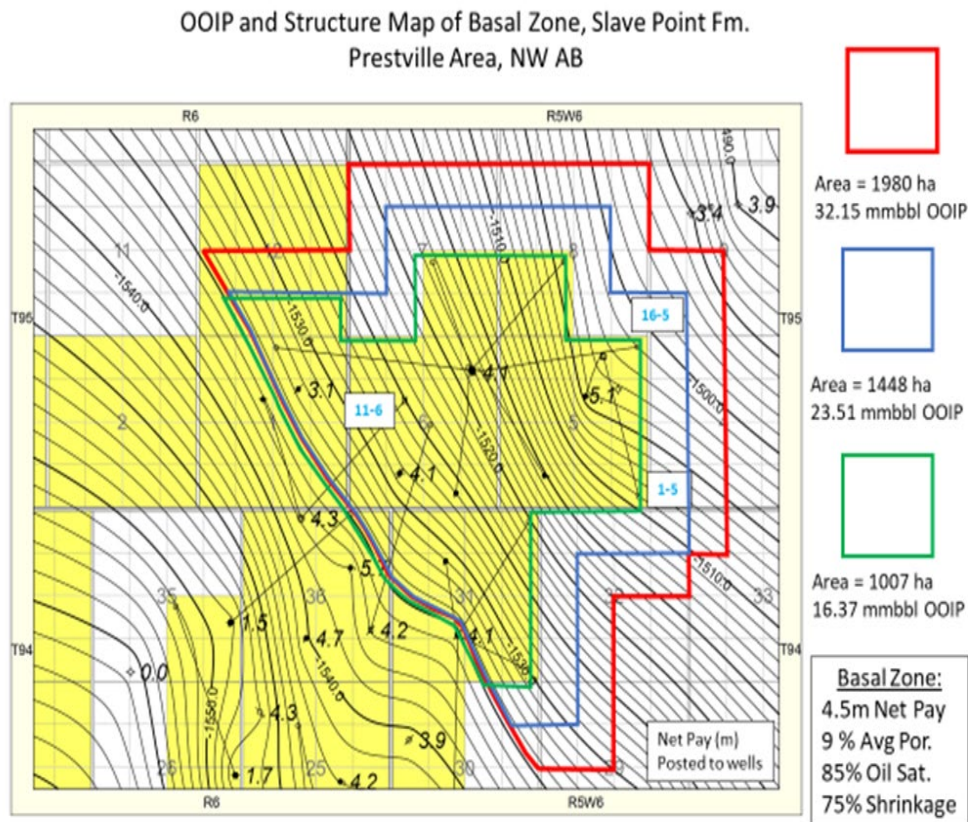
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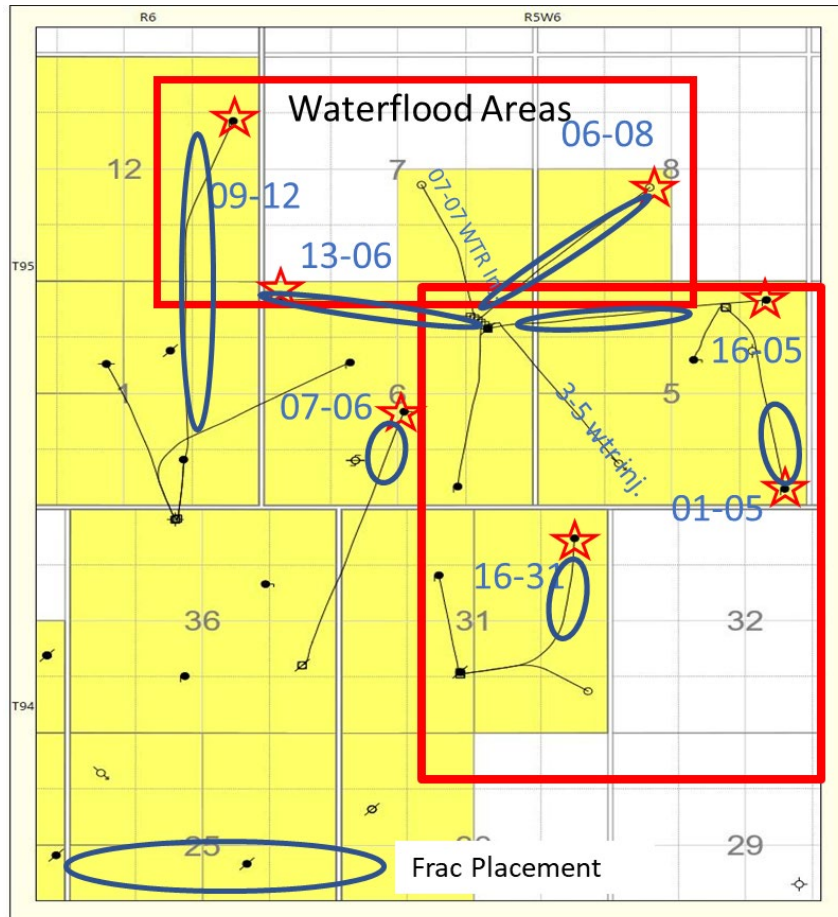
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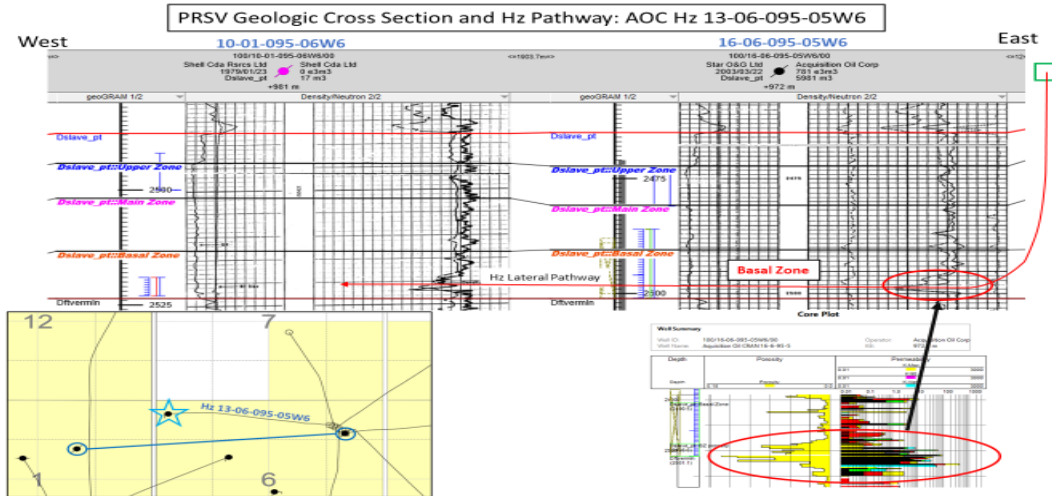
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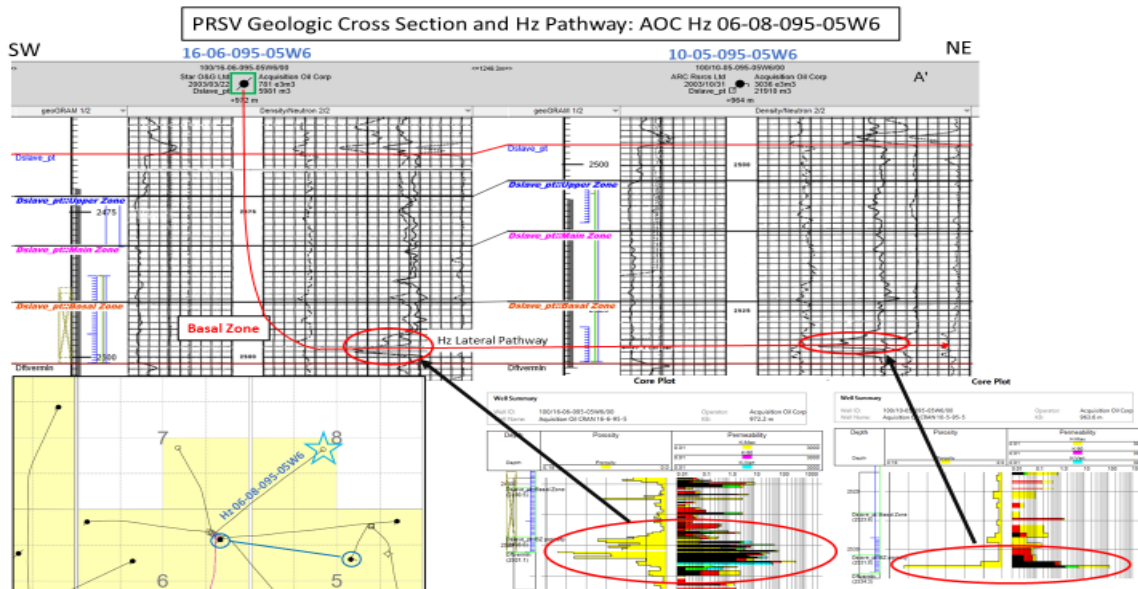
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Water Saturation	25	25
Reservoir GOR (M ³ /M ³)	147	147
Reservoir Volume Factor	1.54	1.54
Reservoir OOIP (m ³)	2,493,506	2,961,039
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Prestville Reserves

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Acquisition Oil Corp. as at January 1, 2025							
	COMPANY GROSS RESERVES				PV BEFORE TAX		
	Oil	Natural Gas	Ngl	Total	5%	10%	15%
	Mbbl	MMcf	Mbbl	MBOE	(\$000s)		
Proved Developed Producing	1,302	847	100	1,543	\$30,625	\$24,647	\$20,681
Proved Undeveloped/Non-Producing	242	123	14	276	\$4,020	\$2,533	\$1,799
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Probable	475	1,086	127	784	\$10,124	\$6,643	\$4,724
Total Proved Plus Probable	2,019	2,056	241	2,602	\$44,769	\$33,823	\$27,204

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Prestville Facility

At *Prestville*, AOC owns an interest in the following facility:

Location	Licence #	Description	WI %
100/10-36-094-06W6	F30128	Multi-Well Oil Battery	100

The Company has a multi-well battery at 100/10-36-094-06W6 which includes a main treater, test treater, free water knock out, sales compression and both natural gas dehydration and a JT plant. The 10-36 facility has capacity for 10,000 bbl/d of emulsion handling and 5 MMcf/d of natural gas.

AOC also has water injection wells at *Acquisition Oil Cran 100/03-05-095-05W6/00* and *Acquisition Oil 16-6 Hz Cran 100/07-07-095-05W6/00*.

Further details on the Company's facility will be made available to parties that execute a confidentiality agreement.

Prestville Marketing

AOC has a monthly crude oil purchase contract in place with **Plains Midstream Canada ULC**. AOC's oil production from *Prestville* is currently trucked from the multi-well battery at 10-36-094-06W6 to the Kemp River Truck Terminal.

Condensate is sold to **Canadian Natural Resources Limited** at the Nipisi Condensate Terminal from the Chinchaga Gas Plant 01-24-096-05W6.

Natural gas is sold into the **NOVA Gas Transmission Ltd.** line at 01-24-096-05W6.

The Company has remaining C* royalty credits of approximately \$8.7 million as of January 2024.

Seismic Overview

The Company has a seismic licensing agreement for 3D seismic data as well as interests in minor jointly owned proprietary 2D data at *Prestville*.

As a member of *The Association of Professional Engineers and Geoscientists of Alberta* ("APEGA"), Sayer Energy Advisors adheres to the "Guidelines for Ethical Use of Geophysical Data" which APEGA first published in May 2010. The complete document summarizing the APEGA guidelines can be downloaded from APEGA's website, where it can be found at <https://www.apega.ca/assets/PDFs/geophysical-data.pdf>. In order to ensure that the rights of all data owners are recognized and respected, the copying of data and the opportunity to view uninterpreted licensed data are activities that are not permitted in a Sayer Data Room.

Prestville LMR as of October 5, 2024

As of October 5, 2024, the Property had a deemed net asset value of \$9.0 million (deemed assets of \$13.0 million and deemed liabilities of \$3.9 million), with an LMR ratio of 3.29.

Deemed Assets	Deemed Liabilities	Net Deemed Assets	LMR
\$12,983,316	\$3,941,182	\$9,042,134	3.29

Prestville Well List

See well list in Excel.

RECIPIENT COMPANY LETTERHEAD

_____, 20____

**Acquisition Oil Corp.
c/o Sayer Energy Advisors
1620, 540 - 5th Avenue SW
Calgary, Alberta T2P 0M2**

Attention: Tom Pavic

Re: **Confidentiality Agreement
Prestville, Alberta Property Divestiture**

_____ (“Recipient”) has expressed an interest in the purchase of certain oil and natural gas interests owned by Acquisition Oil Corp. (“AOC”) in the Prestville area of Alberta (the “Property”). AOC 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 AOC providing the Confidential Information, Recipient agrees as follows:

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

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

Colin Witwer
President