



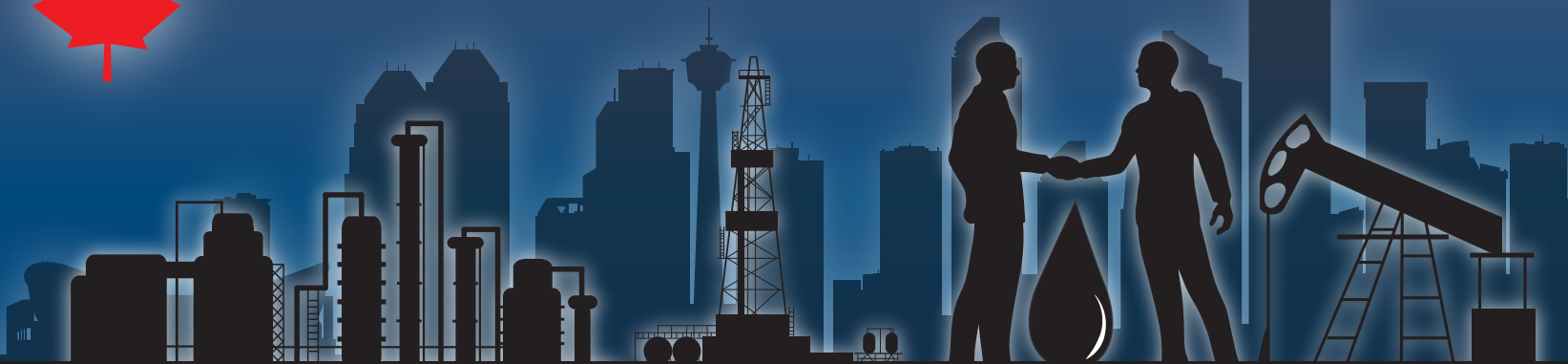
**FIRST QUARTER 2023**

Median Reserves Acquisition Price  
**\$5.55/boe**

Median Production Acquisition Price  
**\$31,022/boe/d**

Enterprise Value of Transactions  
**\$3.3 billion**

Assets and Companies for Sale  
**\$0.6 billion**



**CANADIAN OIL INDUSTRY  
MERGER AND ACQUISITION REPORT**

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# CANADIAN OIL INDUSTRY MERGER AND ACQUISITION REPORT

## HIGHLIGHTS

### FIRST QUARTER 2023

Median Reserves Acquisition Price      Enterprise Value of Transactions  
**\$5.55/boe**      **\$3.3 billion**

Median Production Acquisition Price      Assets and Companies for Sale  
**\$31,022/boe/d**      **\$0.6 billion**

Purchaser	Acquisition	Enterprise Value \$MM	Acquisition Price		Page Number
			\$/boe	\$/boe/d	
Crescent Point	Spartan Delta assets	\$1,700.00	\$5.78	\$51,208	32
International Petroleum	Cor4	\$84.00	\$5.31	\$21,000	34
Lycos	Alberta assets	\$50.00	\$27.65	\$33,333	36
Saturn	Ridgeback	\$524.68	\$5.07	\$28,711	38
TotalEnergies	Teck assets	\$312.00	\$2.03	\$26,500	40
Woodland	Vermilion assets	\$225.00	\$6.08	\$39,092	42
<b><u>Updated Fourth Quarter 2022 Transaction</u></b>					
Suncor	Teck assets	\$688.00	\$2.03	\$26,500	44

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## M&A VALUE DOWN 7% QUARTER-OVER-QUARTER

The total M&A activity in the first quarter of 2023 was approximately \$3.3 billion, down 7% from the \$3.5 billion of total enterprise value of M&A activity recorded in the fourth quarter of 2022. In the first quarter of 2022, the total enterprise value was approximately \$1.0 billion. There was one transaction valued at over \$1.0 billion in the first quarter of 2023.

The largest transaction this quarter was Crescent Point Energy Corp.'s planned purchase of certain of Spartan Delta Corp.'s assets for \$1.7 billion (page 32). The assets being acquired are Montney interests located in the Gold Creek and Karr areas of Alberta. The acquisition adds 600 net Montney locations which are adjacent to Crescent Point's Kaybob Duvernay assets. In conjunction with the transaction, Spartan Delta will transfer 4,000 boe/d of production in the Pouce Coupe and Simonette areas of Alberta, 500 boe/d of northeastern British Columbia production and 55,769 net undeveloped acres in the Flatrock area of northeastern British Columbia to Logan Energy Corp. a newly-formed subsidiary of Spartan, which will be led by certain other members of Spartan Delta's existing executive team. In addition, Spartan Delta will retain and continue to develop its Deep Basin assets. As part of the transactions, Spartan Delta shareholders will receive \$9.50 in cash for each Spartan Delta share held, one common share of Logan for each Spartan Delta share held as well as one Logan share purchase warrant for each Spartan Delta share held. Each warrant will entitle the holder to acquire one Logan share at an exercise price equal to Logan's defined net asset value of \$0.35 per Logan share at any time on or before the close of business on July 17, 2023.

The second largest transaction in the quarter was Saturn Oil & Gas Inc.'s purchase of privately-held Ridgeback Resources Inc. for \$524.7 million (page 38). Ridgeback's main producing properties were located in the Kaybob, Pembina and Swan Hills areas of Alberta and in the Viewfield area of Saskatchewan. The cash portion of the purchase price was funded through a \$125.0 million bought deal equity financing and proceeds from an amended and restated credit agreement with Saturn's existing lender which increased Saturn's borrowing capacity and provided additional proceeds of \$375.0 million. With this acquisition, Saturn's production has increased to approximately 30,000 boe/d (82% oil and natural gas liquids).

Another significant transaction announced in the quarter was TotalEnergies EP Canada Ltd. acquiring Teck Resources Limited's 6.65% working interest in the Fort Hills Oil Sands Project ("FHOSP") for \$312.0 million (page 40). TotalEnergies exercised its pre-emptive right to acquire an interest in the FHOSP after Suncor Energy Inc. (page 44) announced its intention to acquire all of Teck's interest in the FHOSP in the fourth quarter of 2022. After these transactions, Suncor's interest in the FHOSP increased to 68.8% with TotalEnergies owning the remaining 31.2%.

The number of large transactions (over \$5 million in value) in the first quarter of 2023 increased to 17 deals from 15 in the fourth quarter of 2022. With the drop in enterprise value in the first quarter, the average deal size for large transactions fell to \$188.9 million; last quarter it was \$229.3 million.

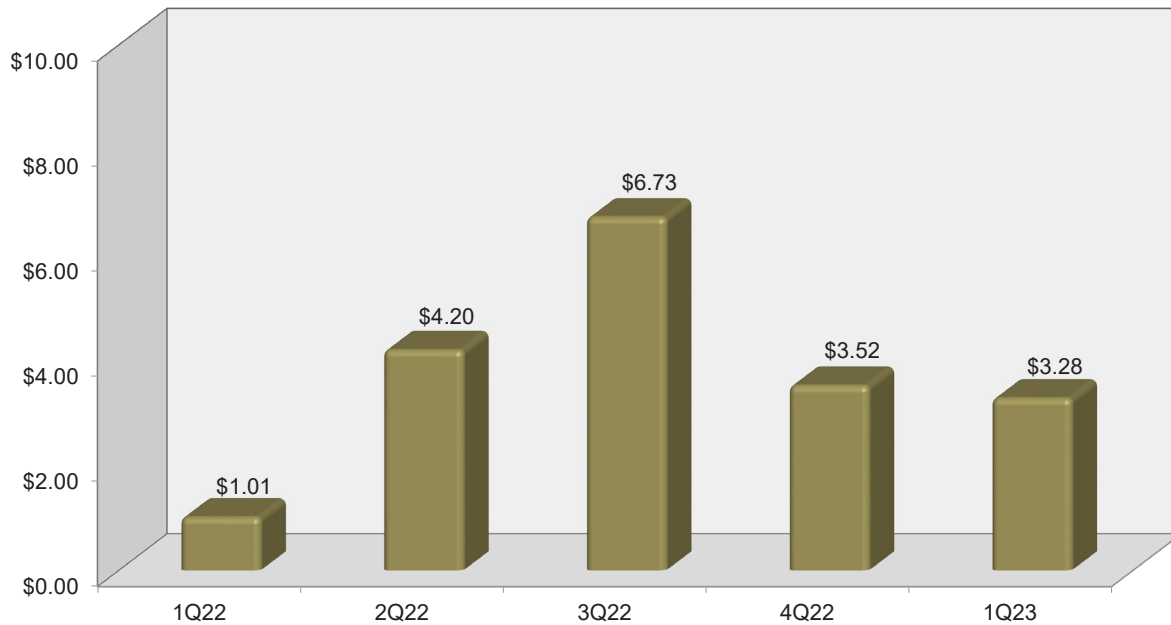
Of the 17 large transactions in the first quarter, there were three corporate transactions and 14 property deals, with total enterprise values of over \$600.0 million and approximately \$2.6 billion respectively. Last quarter there were four corporate deals valued at \$1.3 billion and 11 property transactions valued at \$2.1 billion. Of the approximately \$3.2 billion in large transactions in the quarter, 11 deals were oil-weighted and six transactions were weighted towards natural gas, with total enterprise values of approximately \$3.0 billion and \$220.3 million respectively.

The median acquisition price paid per flowing barrel decreased 15% to \$31,022/boe/d in the first quarter of 2023 from \$36,416/boe/d in the fourth quarter of 2022. The median acquisition price for proven plus probable reserves also decreased 5% quarter-over-quarter to \$5.55/boe from \$5.87/boe in the fourth quarter of 2022.

A trend we saw in early 2023 was a number of privately-held oil and natural gas companies announcing their intention to acquire oil and natural gas interests from publicly-traded oil and natural gas companies. HWN Energy Ltd. announced the closing of two large complementary asset acquisitions located in central and northern Alberta (page 29). The assets were acquired from both Bonavista Energy Corporation and Whitecap Resources Inc. Publicly-traded Vermilion Energy Inc. completed the sale of certain non-core interests in southeastern Saskatchewan in the first quarter of 2023 to privately-held Woodland Development Corp. for \$225.0 million (page 42). During the first quarter, it was disclosed that privately-held Storm Development Corp. was acquiring certain Montney interests in the Pouce Coupe area of Alberta from publicly-held ARC Resources Ltd. (page 30). In addition, privately-held Rife Resources Ltd. acquired publicly-held ROK Resources Inc.'s non-operated 2.11685% interest in the Weyburn Unit for total proceeds of approximately \$44.5 million (page 29). With the recent volatility in oil prices and the softening of natural gas prices so far in 2023 it should be interesting to see if private oil and natural gas companies continue to be active buyers for the remainder of the year.

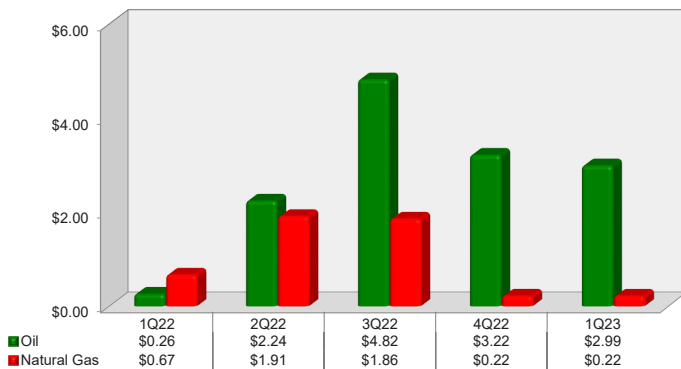
## M&A ENTERPRISE VALUE

M&A Enterprise Value of Transactions - \$Billions

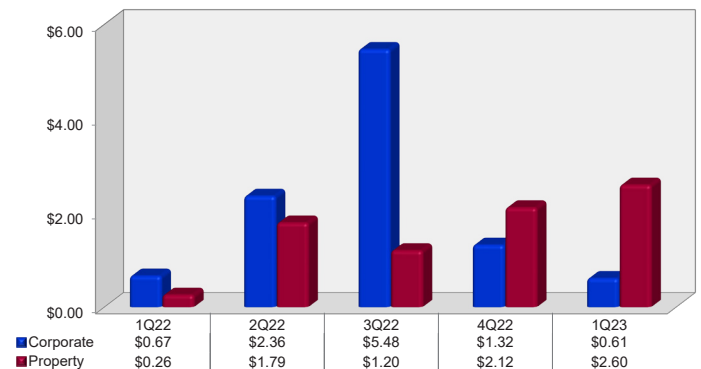


The total M&A enterprise value (large and small deals) in the first quarter of 2023 decreased 7% to \$3.3 billion from the \$3.5 billion recorded in the fourth quarter of 2022. On a year-over-year basis, the enterprise value in the first quarter jumped 224% from the \$1.0 billion recorded in the first quarter of 2022.

M&A Enterprise Value - \$Billions  
Oil vs. Natural Gas



M&A Enterprise Value - \$Billions  
Corporate vs. Property

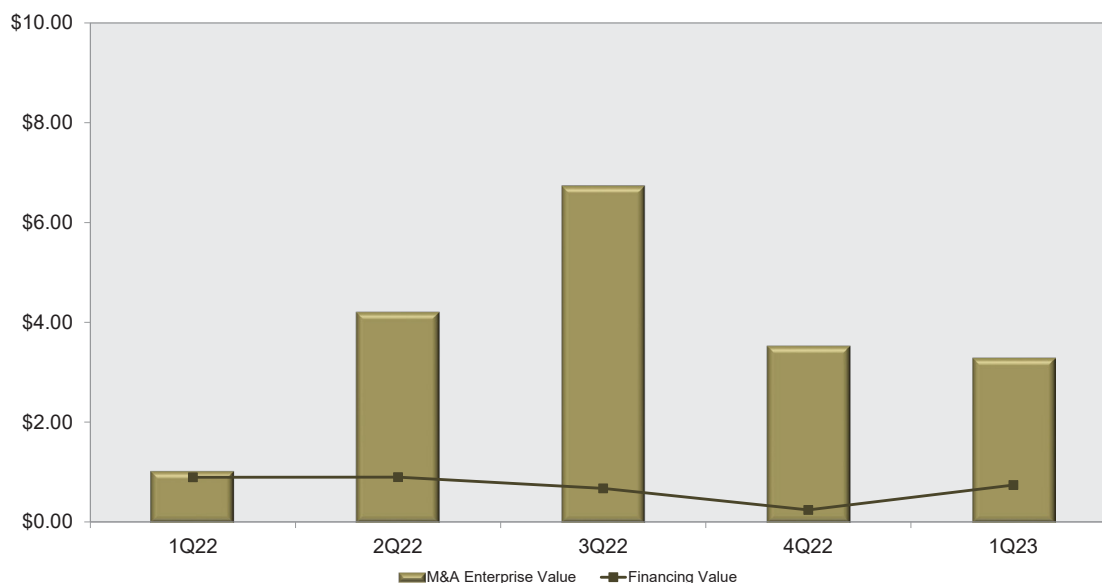


The enterprise value for large oil-weighted transactions valued at over \$5.0 million was \$3.0 billion in the first quarter of 2023, a 7% decrease from the \$3.2 billion calculated in the fourth quarter of 2022. The enterprise value for large natural gas-weighted transactions in the first quarter slightly dropped to \$220.3 million from the \$221.8 million recorded in the fourth quarter of 2022.

Corporate transactions valued at over \$5.0 million fell 54% to just over \$600.0 million in the first quarter from \$1.3 billion in the fourth quarter of 2022. The enterprise value for property transactions valued at over \$5.0 million increased 23% to \$2.6 billion in the first quarter of 2023 from \$2.1 billion in the prior quarter.

## TOTAL FINANCINGS VERSUS M&A ENTERPRISE VALUE

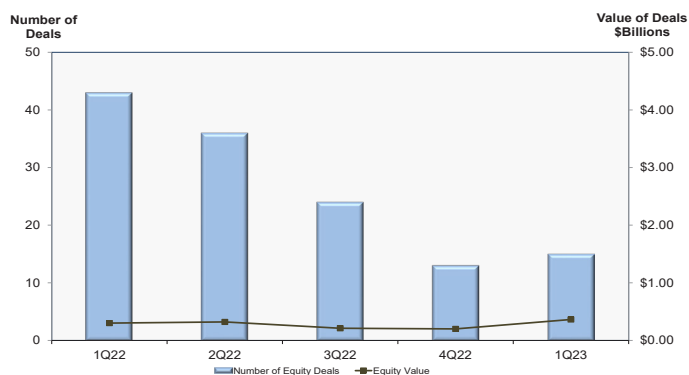
Enterprise Value of Transactions Relative to Total Value of Financings - \$Billions



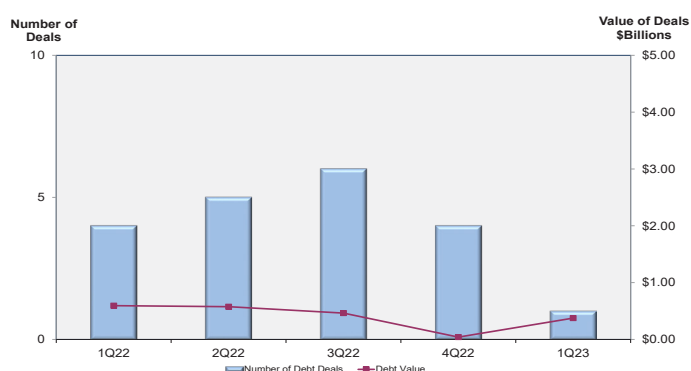
The total value of financings in the first quarter of 2023 increased 261% to \$738.3 million from \$204.6 million in the fourth quarter of 2022. The total number of financings in the first quarter of 2023 was 16, compared to 17 in the previous quarter.

The amount of equity raised in the first quarter of 2023 was \$363.3 million, compared to \$199.9 million in the fourth quarter of 2022. The total number of equity financings in the first quarter was 15, compared to 13 in the fourth quarter of 2022. Debt financings jumped to \$375.0 million in the first quarter from \$40.7 million in the fourth quarter. There was only one debt financing in the first quarter, compared to four in the previous quarter.

Equity Financings Value - \$Billions



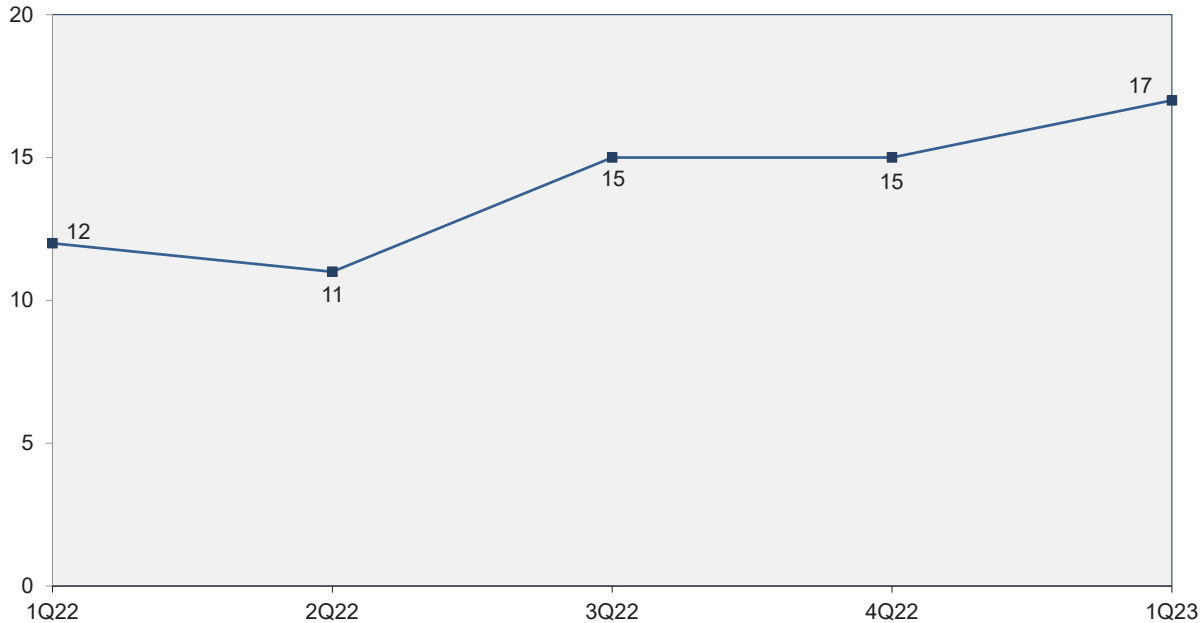
Debt Financings Value - \$Billions



In the first quarter, Storm completed multiple equity financings raising approximately \$162.7 million. Storm is in the process of acquiring certain oil and natural gas interests in the Pouce Coupe area of Alberta from ARC (page 30).

The single debt offering in the first quarter of 2023 was Saturn’s senior secured loan for \$375.0 million with a three-year term and a coupon rate of 14.3225%. Proceeds from the offering were used towards the acquisition of Ridgeback (page 38).

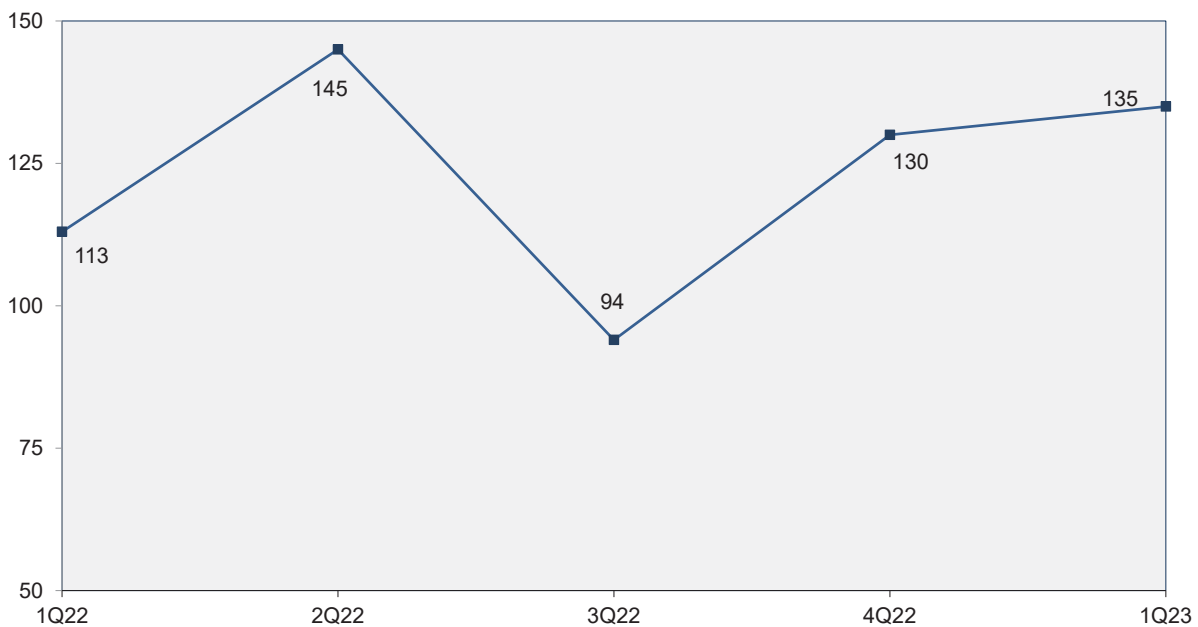
## Number of Transactions Over \$5.0 Million



The number of large transactions (valued at over \$5 million in size) was 17 in the first quarter of 2023, up 13% from the 15 deals recorded in the previous quarter. The average deal size for large transactions in the first quarter was approximately \$188.9 million compared to \$229.3 million last quarter. There were three large corporate transactions and 14 large property transactions in the first quarter, with average deal sizes of just over \$200.0 million and \$185.5 million respectively. The enterprise value of large transactions this quarter was \$3.2 billion compared to \$3.4 billion in the previous quarter.

The number of small deals (under \$5 million in size) increased 4% to 135 in the first quarter of 2023 from the 130 recorded last quarter. The total value of small deals fell 16% on a quarter-over-quarter basis to approximately \$68.4 million from approximately \$81.8 million.

## Number of Transactions Under \$5.0 Million

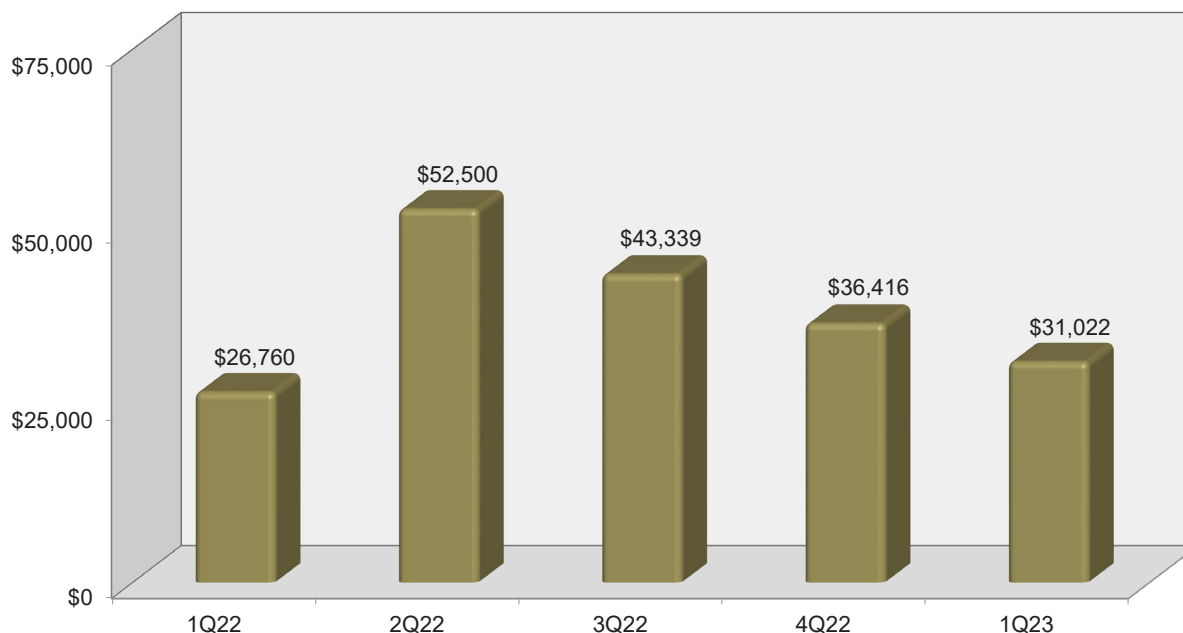




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## MEDIAN PRODUCTION ACQUISITION PRICE

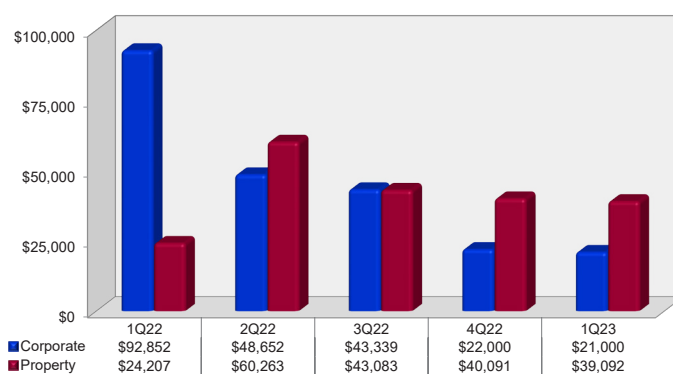
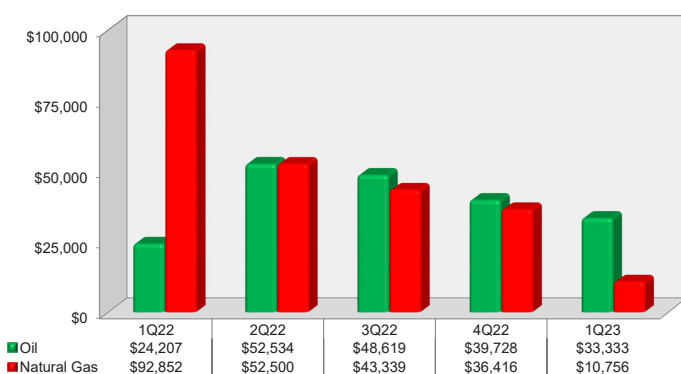
Median Production Acquisition Price - \$/boe/d



The median acquisition price per producing barrel of oil equivalent decreased 15% to 31,022/boe/d in the first quarter of 2023 from the fourth quarter price of \$36,416/boe/d. On a year-over-year basis, the median acquisition price for production is up 16% from the \$26,760/boe/d recorded in the first quarter of 2022.

Median Production Acquisition Price - \$/boe/d  
Oil vs. Natural Gas

Median Production Acquisition Price - \$/boe/d  
Corporate vs. Property



The median price paid for oil production decreased 16% to \$33,333/boe/d in the first quarter of 2023 from \$39,728/boe/d in the fourth quarter. The median price paid for natural gas-weighted transactions on a \$/boe/d basis fell 70% to \$10,756/boe/d from \$36,416/boe/d. There were 11 large oil-weighted transactions and six large natural gas-weighted transactions this quarter.

The median price paid for production for corporate transactions dropped 5% in the first quarter to \$21,000/boe/d from \$22,000/boe/d in the fourth quarter of 2022. The median production price paid for property transactions also fell this quarter, dipping 2% to \$39,092/boe/d from \$40,091/boe/d. There were three large corporate transactions and 14 large property transactions in the first quarter of 2023.

A transaction that is representative of the median acquisition price on a \$/boe/d basis was Saturn's acquisition of Ridgeback for \$28,711/boe/d (page 38). Ridgeback's main producing properties were located in the Kaybob, Pembina and Swan Hills areas of Alberta and in the Viewfield area of Saskatchewan. The cash portion of the purchase price was funded through a \$125.0 million bought deal equity financing and proceeds from an amended and restated credit agreement with Saturn's existing lender which increased the company's borrowing capacity and provided additional proceeds of \$375.0 million. With this acquisition, Saturn's production has increased to approximately 30,000 boe/d (82% oil and natural gas liquids).

Another transaction that is representative of the median acquisition price on a \$/boe/d basis Lycos' acquisition of assets in the Lloydminster, Swimming and Wildmere areas of Alberta for \$33,333/boe/d (page 36). The assets were held in a partnership of which Lycos acquired the remaining unowned 78.15% interest in the partnership. With the acquisition, Lycos now owns 100% of the partnership and, as such, 100% of the assets held by the partnership. With this transaction, Lycos' production is now over 2,700 boe/d (99% oil).

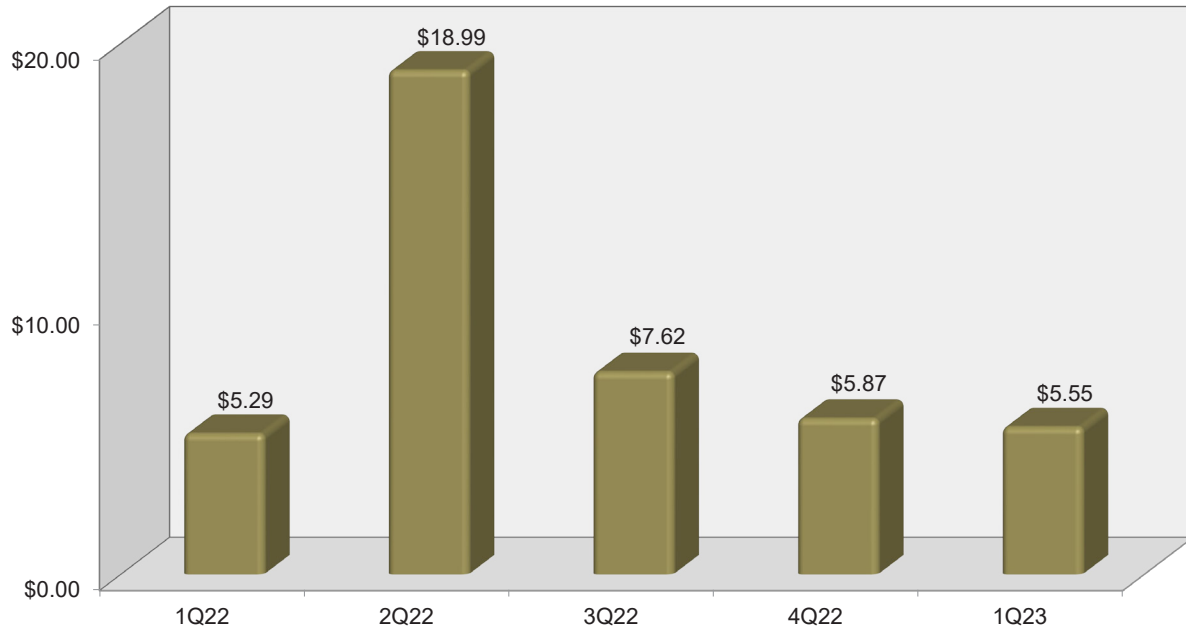
The highest-priced transaction on a production basis was Crescent Point's acquisition of assets from Spartan Delta for \$51,208/boe/d (page 32). The assets being acquired are Montney interests located in the Gold Creek and Karr areas of Alberta. The acquisition adds 600 net Montney locations which are adjacent to Crescent Point's Kaybob Duvernay assets. In conjunction with the transaction, Spartan Delta will transfer 4,000 boe/d of production in the Pouce Coupe and Simonette areas of Alberta, 500 boe/d of northeastern British Columbia production and 55,769 net undeveloped acres in the Flatrock area of northeastern British Columbia to Logan a newly-formed subsidiary of Spartan, which will be led by certain other members of Spartan Delta's existing executive team. In addition, Spartan Delta will retain and continue to develop its Deep Basin assets. As part of the transactions, Spartan Delta shareholders will receive \$9.50 in cash for each Spartan Delta share held, one common share of Logan for each Spartan Delta share held as well as one Logan share purchase warrant for each Spartan Delta share held. Each warrant will entitle the holder to acquire one Logan share at an exercise price equal to Logan's defined net asset value of \$0.35 per Logan share at any time on or before the close of business on July 17, 2023.

Another high-priced transaction on a production basis was Woodland's acquisition of assets from Vermilion for \$39,092/boe/d (page 42). The assets acquired are located in the Arcola and Queensdale areas of southeastern Saskatchewan. Vermilion used the proceeds from the sale to reduce its debt outstanding.

The lowest-priced transaction on a production basis was International Petroleum Corporation's acquisition of Cor4 Oil Corp. for \$21,000/boe/d (page 34). Cor4's main producing properties were located in the Jenner and Princess areas of Alberta. Cor4's interests are complementary to International Petroleum's interests in the Suffield area of Alberta as well as to a recent land acquisition which International Petroleum completed in the fourth quarter of 2022. With this acquisition, International Petroleum has over 25 drilling locations targeting the Ellerslie Formation.

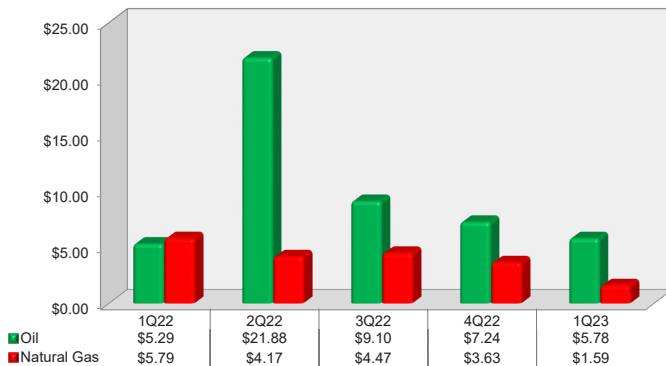
## MEDIAN RESERVES ACQUISITION PRICE

Median Reserves Acquisition Price - \$/boe P+P

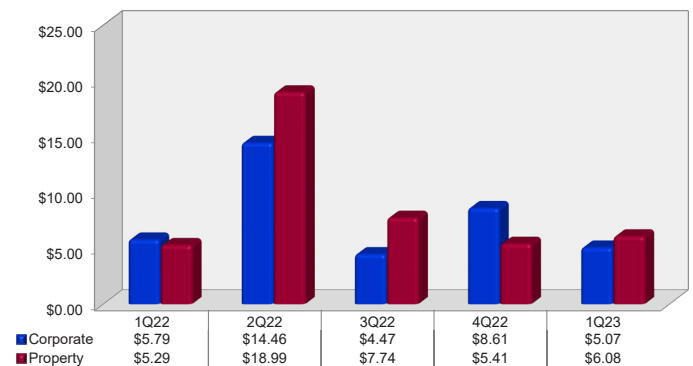


The median acquisition price for proven plus probable reserves decreased 5% to \$5.55/boe this quarter from the \$5.87/boe calculated in the fourth quarter of 2022. On a year-over-year basis, the price for proven plus probable reserves dipped slightly from the \$5.29/boe recorded in the first quarter of 2022.

Median Reserves Acquisition Price - \$/boe P+P  
Oil vs. Natural Gas



Median Reserves Acquisition Price - \$/boe P+P  
Corporate vs. Property



The price paid for oil-weighted transactions fell 20% to \$5.78/boe in the first quarter of 2023 from the \$7.24/boe calculated in the previous quarter. The price paid for natural gas-weighted transactions decreased 56% to \$1.59/boe from the \$3.63/boe recorded in the fourth quarter of 2022.

The median reserves acquisition price paid for corporate transactions in the first quarter of 2023 decreased 41% to \$5.07/boe from the \$8.61/boe paid in the fourth quarter of 2022. The price paid for property transactions rose to \$6.08/boe in the first quarter compared to the \$5.41/boe calculated last quarter, a 12% increase.

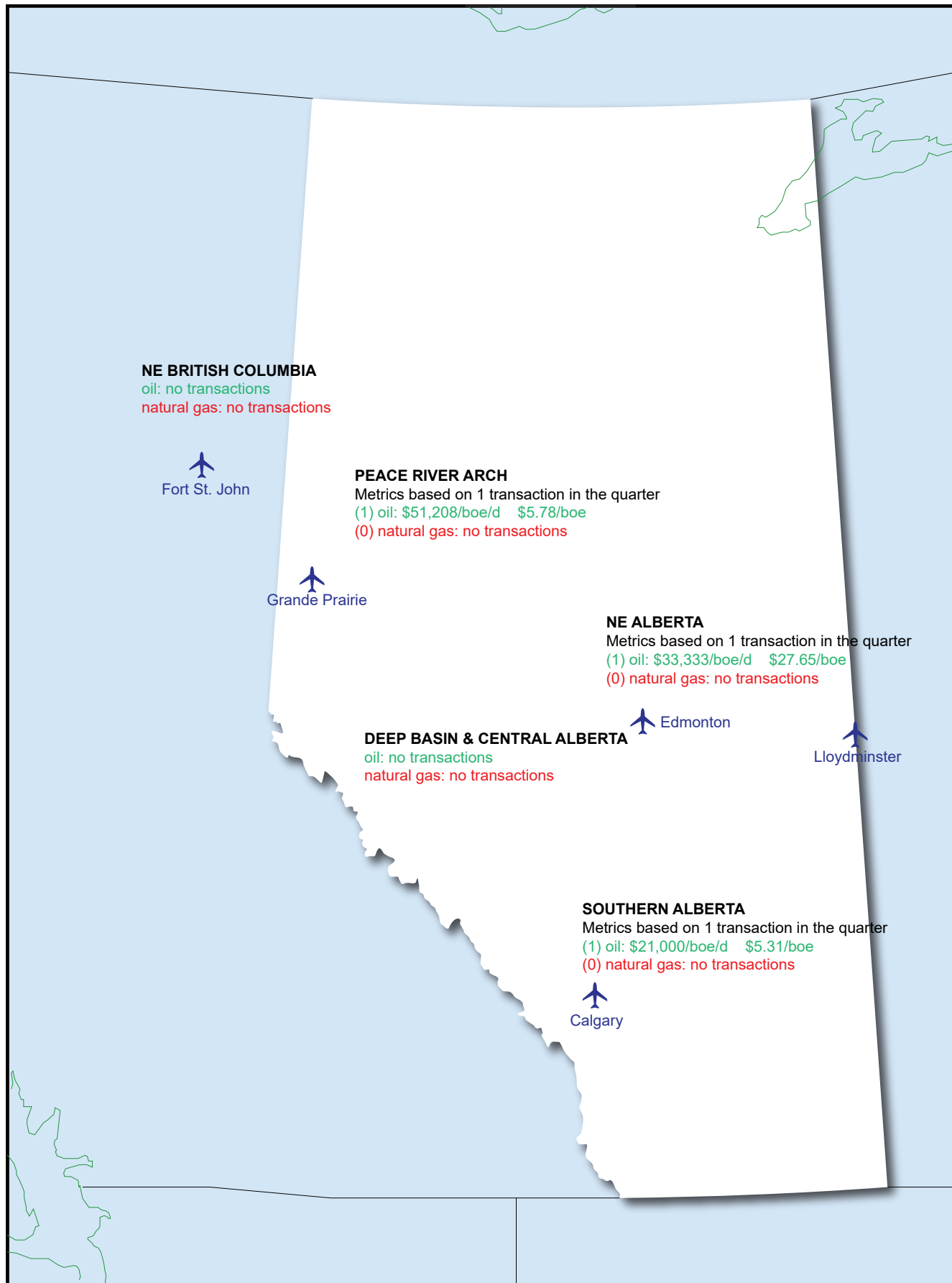
A transaction that is representative of the median reserves acquisition price on a \$/boe basis was International Petroleum's acquisition of Cor4 for \$5.31/boe (page 34). Cor4's main producing properties were located in the Jenner and Princess areas of Alberta. Cor4's interests are complementary to International Petroleum's interests in the Suffield area of Alberta as well as to a recent land acquisition which International Petroleum completed in the fourth quarter of 2022. With this acquisition, International Petroleum has over 25 drilling locations targeting the Ellerslie Formation.

The highest-priced transaction on a reserves basis was Lycos' acquisition of assets in the Lloydminster, Swimming and Wildmere areas of Alberta for \$27.65/boe (page 36). The assets were held in a partnership of which Lycos acquired the remaining unowned 78.15% interest in the partnership. With the acquisition, Lycos now owns 100% of the partnership and, as such, 100% of the assets held by the partnership. With this transaction, Lycos' production is now over 2,700 boe/d (99% oil).

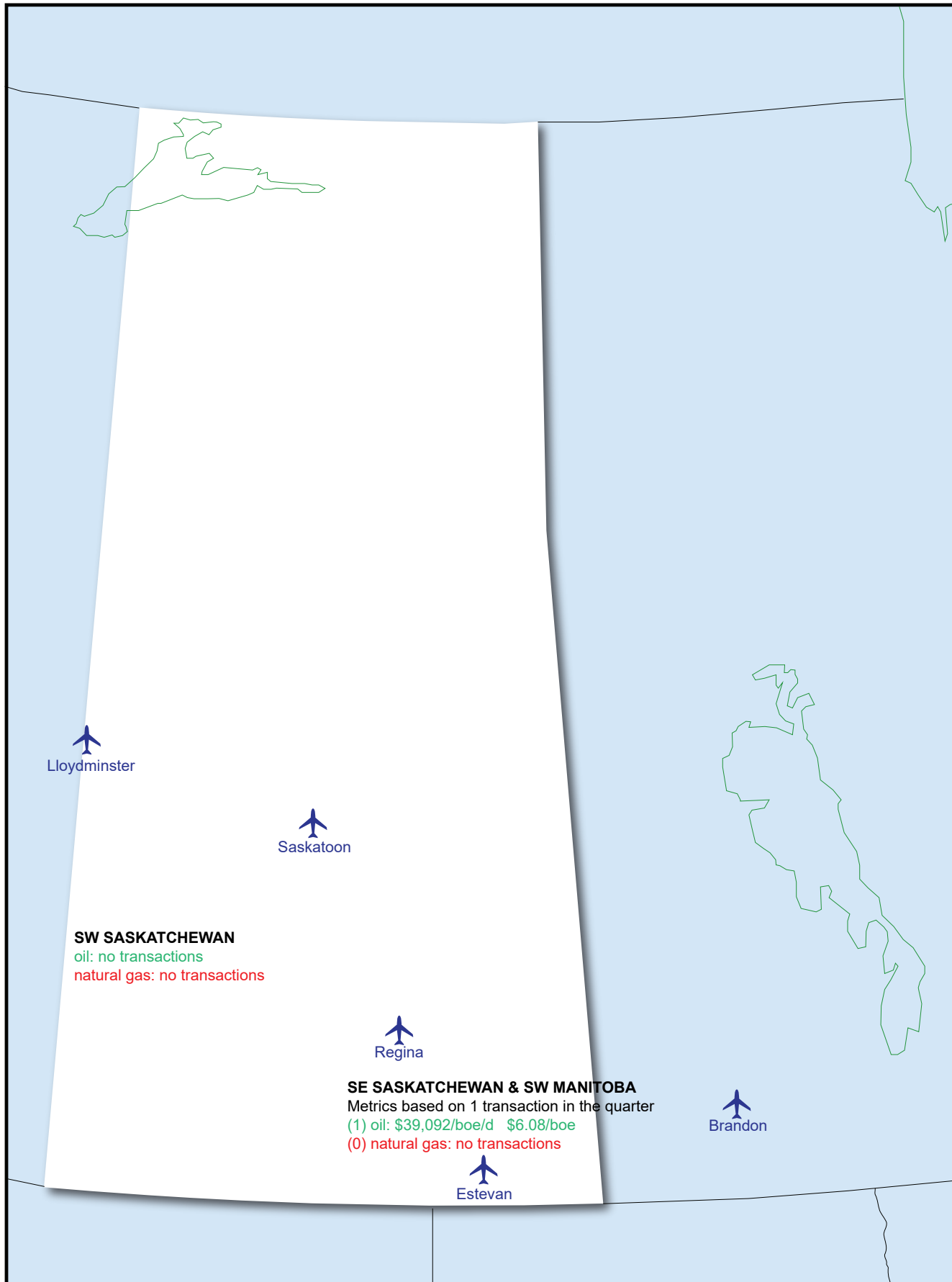
The lowest-priced transaction on a reserves basis was Saturn's acquisition of Ridgeback for \$5.07/boe (page 38). Ridgeback's main producing properties were located in the Kaybob, Pembina and Swan Hills areas of Alberta and in the Viewfield area of Saskatchewan. The cash portion of the purchase price was funded through a \$125.0 million bought deal equity financing and proceeds from an amended and restated credit agreement with Saturn's existing lender which increased the company's borrowing capacity and provided additional proceeds of \$375.0 million. With this acquisition, Saturn's production has increased to approximately 30,000 boe/d (82% oil and natural gas liquids).

The lowest-priced property transaction that is representative of the median reserves acquisition price on a \$/boe basis was Crescent Point's acquisition of assets from Spartan Delta for \$5.78/boe (page 32). The assets being acquired are Montney interests located in the Gold Creek and Karr areas of Alberta. The acquisition adds 600 net Montney locations which are adjacent to Crescent Point's Kaybob Duvernay assets. In conjunction with the transaction, Spartan Delta will transfer 4,000 boe/d of production in the Pouce Coupe and Simonette areas of Alberta, 500 boe/d of northeastern British Columbia production and 55,769 net undeveloped acres in the Flatrock area of northeastern British Columbia to Logan a newly-formed subsidiary of Spartan, which will be led by certain other members of Spartan Delta's existing executive team. In addition, Spartan Delta will retain and continue to develop its Deep Basin assets. As part of the transactions, Spartan Delta shareholders will receive \$9.50 in cash for each Spartan Delta share held, one common share of Logan for each Spartan Delta share held as well as one Logan share purchase warrant for each Spartan Delta share held. Each warrant will entitle the holder to acquire one Logan share at an exercise price equal to Logan's defined net asset value of \$0.35 per Logan share at any time on or before the close of business on July 17, 2023.

# PRODUCTION AND RESERVE METRICS BY AREA

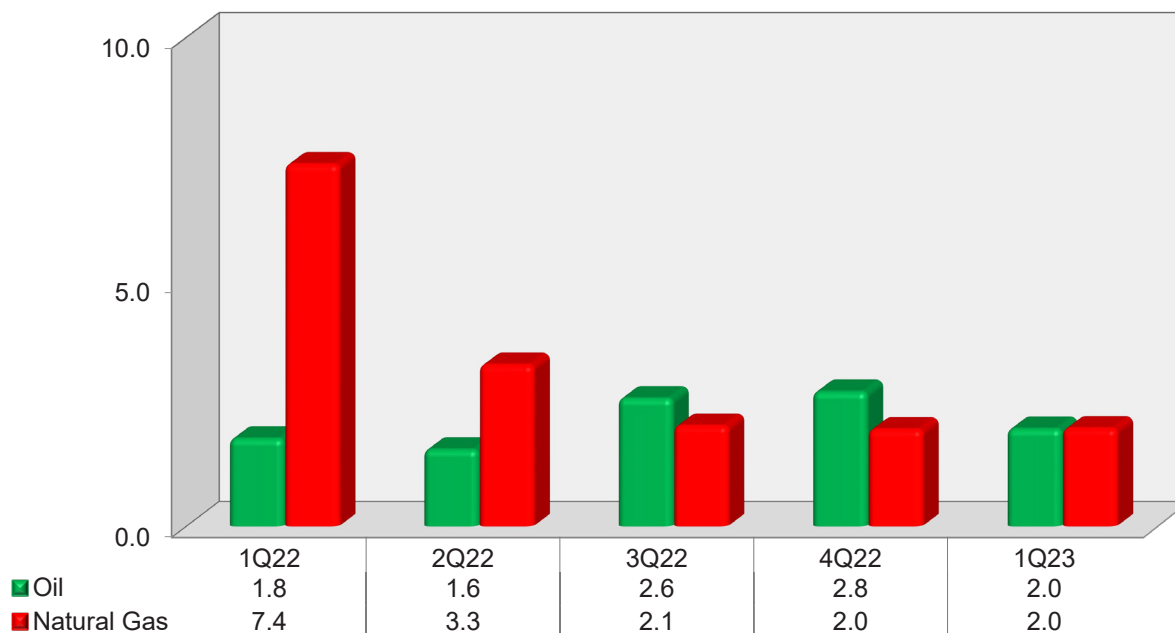


# PRODUCTION AND RESERVE METRICS BY AREA



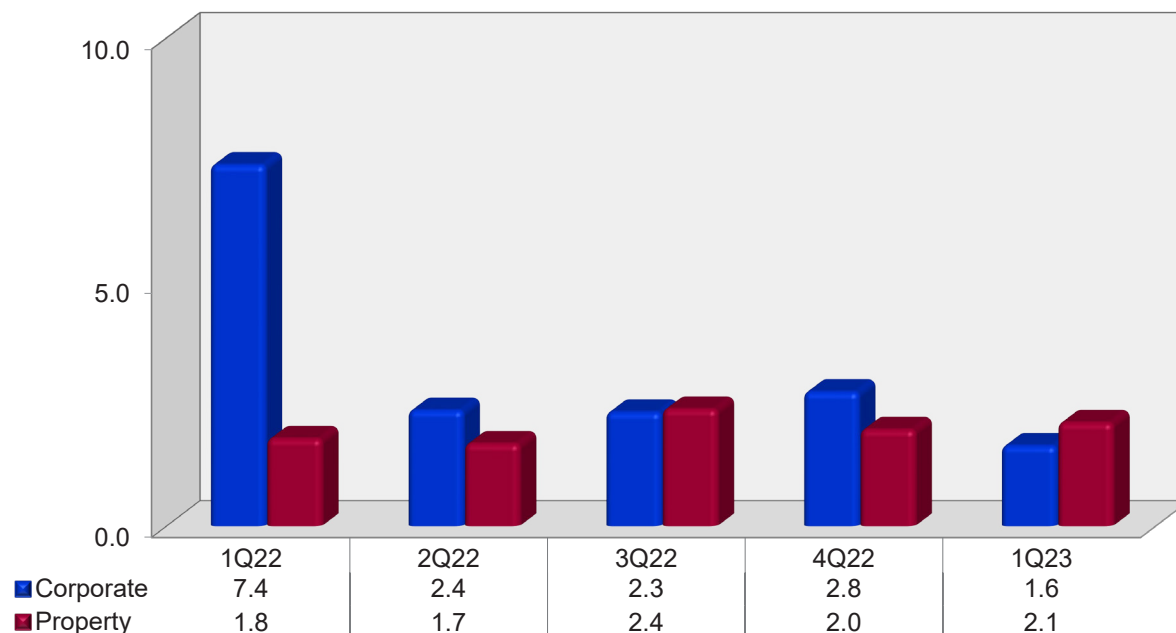
## CASH FLOW MULTIPLES

Median Acquisition Operating Cash Flow Multiples  
Oil vs. Natural Gas



The median operating cash flow multiple for oil-weighted transactions in the first quarter of 2023 was 2.0, down 29% from the 2.8 recorded in the fourth quarter of 2022. The median operating cash flow multiple for natural gas-weighted transactions in the first quarter of 2023 remained the same at 2.0.

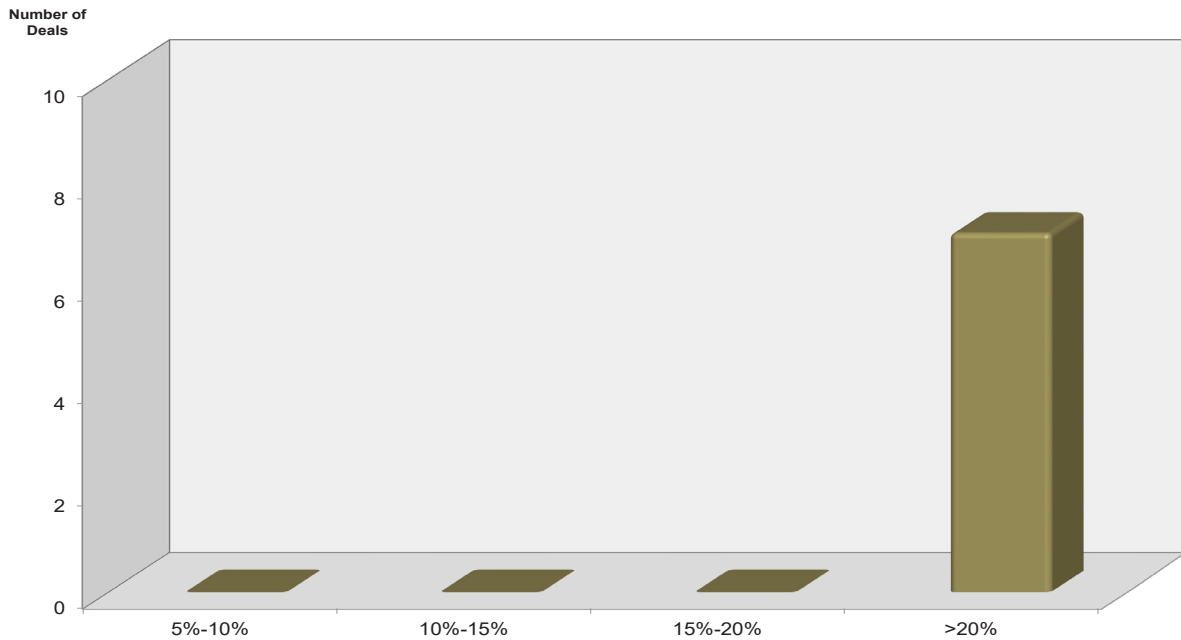
Median Acquisition Operating Cash Flow Multiples  
Corporate vs. Property



The median operating cash flow multiple for corporate transactions in the first quarter of 2023 decreased to 1.6, compared to the 2.8 recorded in the fourth quarter of 2022. The median operating cash flow multiple for property transactions in the first quarter of 2023 increased to 2.1 from the 2.0 recorded in the fourth quarter. Care should be taken in drawing conclusions on operating cash flow multiples, given that the cash flow assumptions that were available for this analysis are not the same for every transaction.



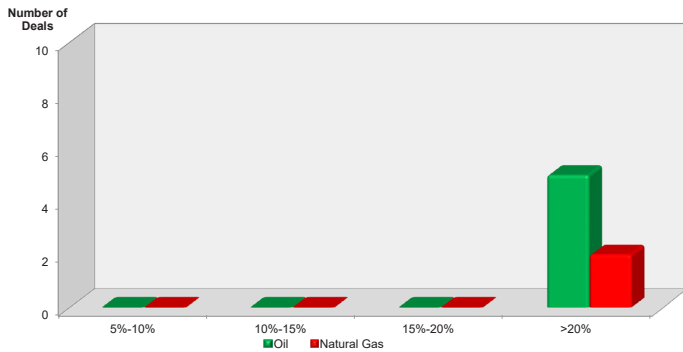
## DISCOUNTED CASH FLOW RATES



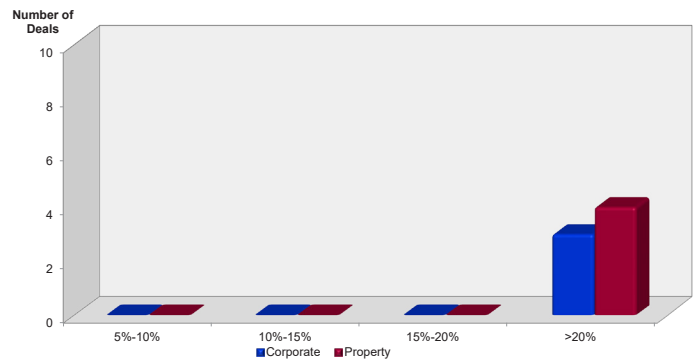
The discounted cash flow (“DCF”) rates on a proven plus probable basis have been analyzed for seven transactions in the first quarter of 2023.

Care should be taken in drawing conclusions on DCF rates, given that the price forecasts in the engineering reports that were available for this analysis are not the same for each transaction. If price forecasts could be matched to current reserve evaluations at the time of the transactions, a more accurate representation of the DCF rates would exist.

Discounted Cash Flow Rate  
Oil vs. Natural Gas



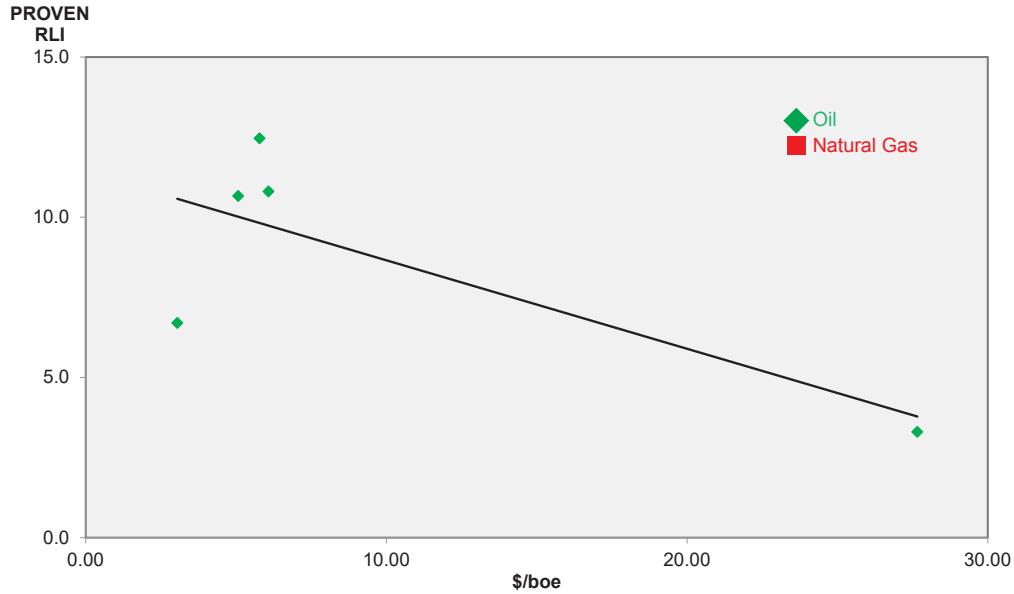
Discounted Cash Flow Rates  
Corporate vs. Property



## RESERVE LIFE INDEX COMPARED TO M&A PRICES

The graphs below show the relationship between proven RLI and acquisition prices paid on a reserves and production basis during the first quarter of 2023. The RLI is calculated by dividing the total proven reserves by the annualized production.

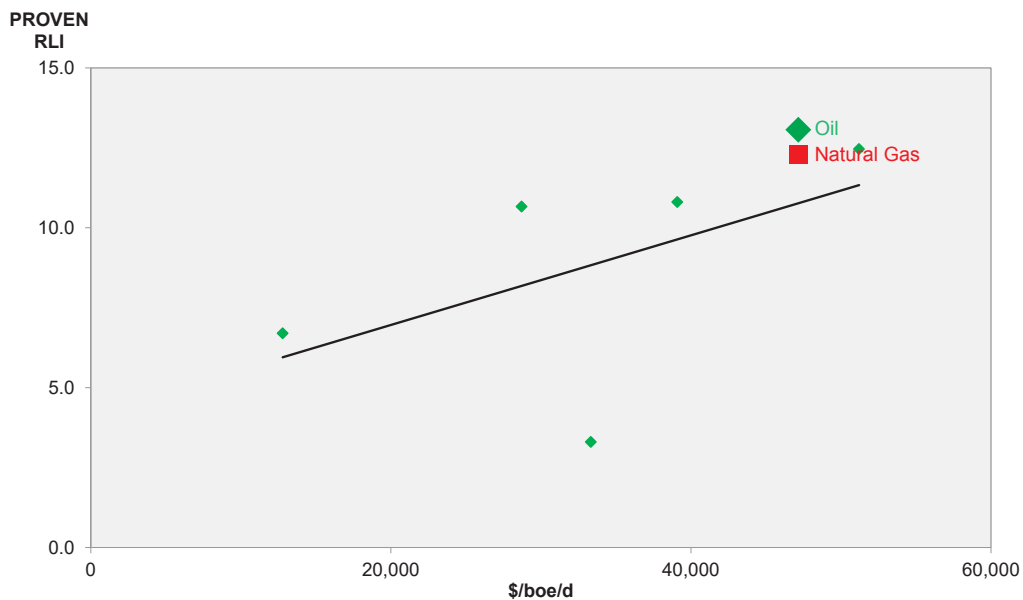
Proven RLI vs. \$/boe



The trend line for RLI versus reserve acquisition prices (\$/boe) illustrated above shows a negative correlation between the RLI and price paid for reserves on a \$/boe basis in that as RLI decreases, reserves acquisition costs increase.

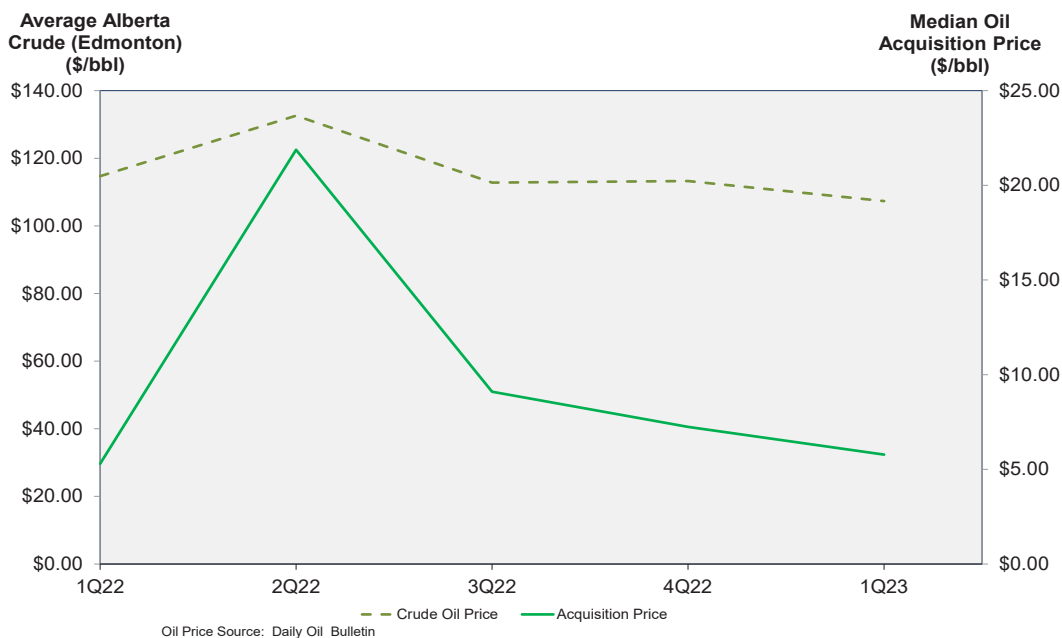
The chart for RLI versus production acquisition prices (\$/boe/d) illustrated below shows a positive correlation, in that as RLI increases, production acquisition costs also increase.

Proven RLI vs. \$/boe/d



## CORRELATION OF M&A PRICES AND COMMODITY PRICES

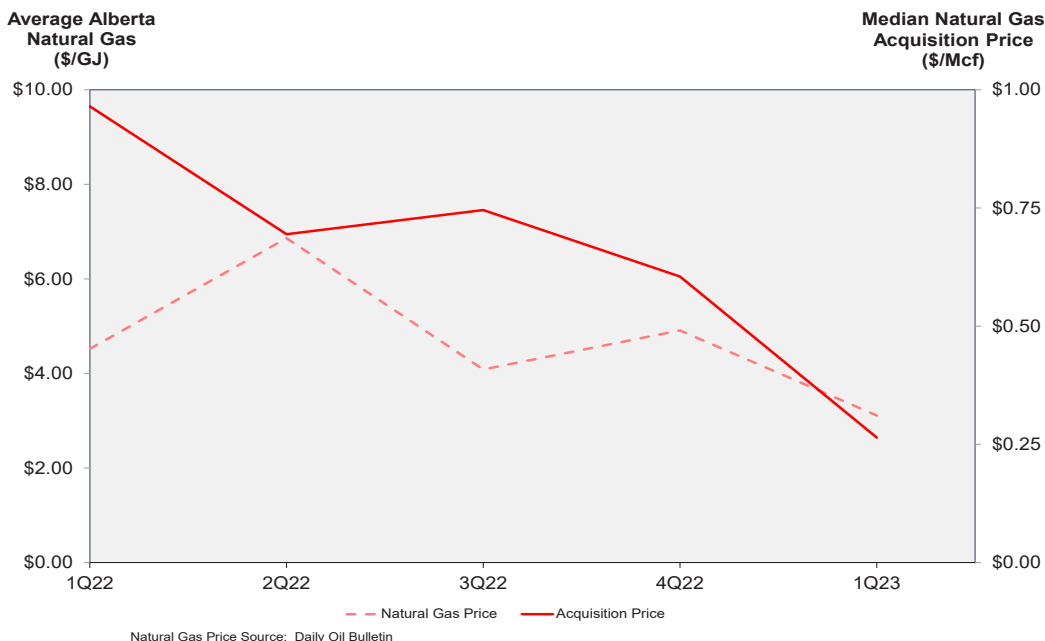
### Oil Acquisition Price vs. Crude Oil Price



The preceding graph shows the average Alberta spot crude oil price based on par quality at Edmonton, versus the median proven plus probable reserve oil acquisition price calculated by Sayer Energy Advisors. As illustrated in the graph above, the commodity price has remained flat quarter-over-quarter and over the same time period, the acquisition price has decreased.

The graph below shows the average Alberta natural gas price (AECO-C) versus the median proven plus probable reserve natural gas acquisition price calculated by Sayer Energy Advisors. As illustrated in the graph below, the price of natural gas has decreased quarter-over-quarter and over the same time period, the acquisition price has also decreased.

### Natural Gas Acquisition Price vs. Alberta Natural Gas Price



## PRIOR QUARTER UPDATE

Sayer Energy Advisors is constantly updating previous quarters as new or updated information becomes available. Information subsequent to the fourth quarter of 2022 has allowed us to update our database and revise prior quarter statistics.

As mentioned previously, Suncor initially intended to acquire all of Teck's working interest in the FHOSP (page 44) but TotalEnergies announced on January 27, 2023 (page 40) that it exercised its pre-emptive right to acquire an interest in the FHOSP. The exercise of the pre-emptive right by TotalEnergies led to a decrease in Suncor's purchase price from \$1.0 billion to \$688.0 million. With these transactions, Suncor's aggregate share in the FHOSP increased to 68.8% with TotalEnergies owning the remaining 31.2%.

In addition, Pieridae Energy Limited announced in the first quarter of 2023 that it would not be proceeding with the sale of certain non-core assets in northeastern British Columbia for \$7.7 million which was announced in the third quarter of 2022. This transaction has been removed from our statistics.

As a result of updates mentioned above as well as additional confidential information we received, the median price paid for production in the fourth quarter of 2022 decreased to \$36,416/boe/d from \$49,555/boe/d and the median price paid for reserves increased to \$5.87/boe from \$5.41/boe. The enterprise value in the fourth quarter of 2022 also decreased to \$3.5 billion from \$3.8 billion.

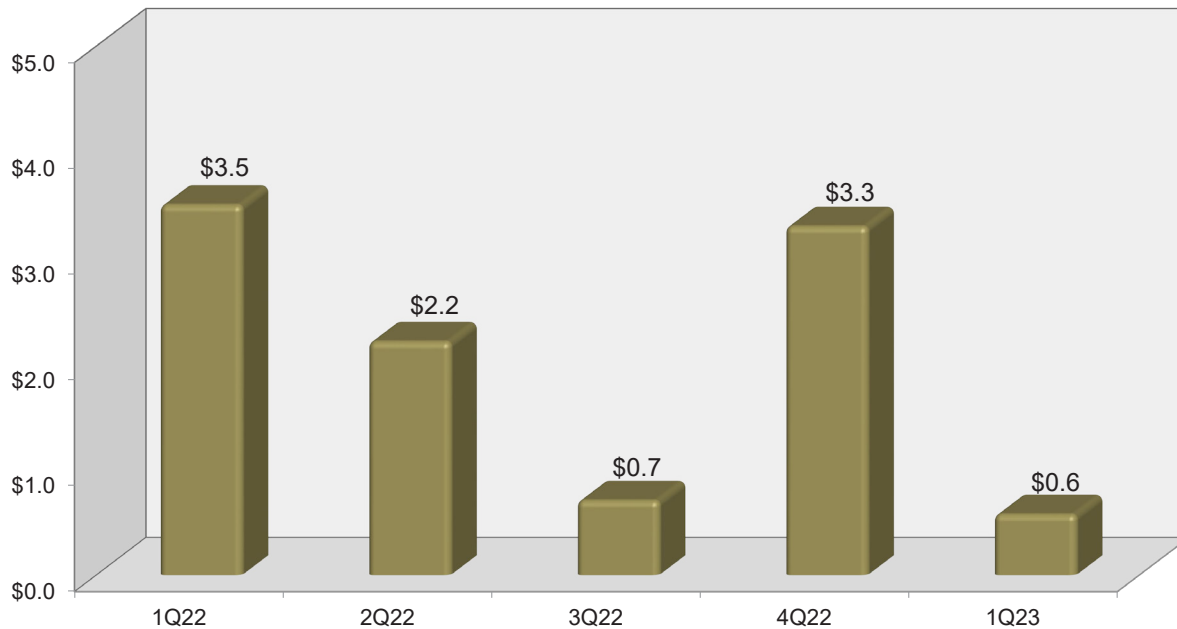
## SECOND QUARTER 2023 MERGER AND ACQUISITION ACTIVITY

There has been one significant deal announced in the first few weeks of the second quarter of 2023, which is highlighted below.

On April 26, 2023 Suncor announced that it has agreed to purchase TotalEnergies' Canadian operations which holds a 31.2% working interest in the FHOSP and a 50% working interest in the Surmont in situ asset for cash consideration of \$5.5 billion, with the potential for additional payments of up to an aggregate maximum of \$600 million, conditional upon Western Canadian Select benchmark pricing and certain production targets. The acquisition will add 135,000 bbl/d of net bitumen production capacity and 2.1 billion barrels of proved and probable reserves to Suncor's oil sands portfolio.

## MERGER AND ACQUISITION CANDIDATES

Companies and Assets for Sale - \$Billions



The total value of companies and assets publicly for sale dropped to \$573.2 million in the first quarter of 2023 from \$3.3 billion in the fourth quarter of 2022. The drop is largely attributable to the Spartan Delta sale of assets to Crescent Point for \$1.7 billion which concluded Spartan Delta's strategic repositioning process (page 32).

The "major assets for sale" category increased slightly to approximately \$360.0 million in the first quarter from the \$355.0 million recorded last quarter.

The "companies for sale" category fell 95% to \$157.5 million in the first quarter of 2023 from the \$2.9 billion recorded in the fourth quarter of 2022. In the first quarter, Erikson National Energy Inc. entered into a corporate sale process. Erikson's oil and natural gas assets are located in the Wildboy and Greater Fort St. John areas of British Columbia with production of 3,043 boe/d (99% natural gas).

CLEO Energy Corp. initiated a strategic alternatives process in the first quarter of 2023. CLEO's assets are located in the Atlee, Enchant, Fabyan, Kessler, Neutral Hills, Sedgewick, Silver Heights, Shorncliffe and Taber areas of Alberta with production of approximately 1,430 boe/d (54% oil).

FTI Consulting Canada Inc., in its capacity as Court-appointed receiver and manager of Changhua Canada Energy Ltd., initiated a sale process for all of Changhua's oil and natural gas interests located in Alberta. Changhua's production is approximately 30 bbl/d of oil.

The "companies for sale" section only includes those companies that have publicly announced that they are for sale, reviewing strategic alternatives to maximize shareholder value or are in CCAA or receivership and do not include those in the process of a private auction. Several entities, including Cor4 (page 34) and Ridgeback (page 38) were sold or have received offers to purchase in the first quarter and had not previously publicly announced their intention to sell in advance.

## MERGER AND ACQUISITION CANDIDATES

### Companies with Major Assets for Sale

Athabasca Oil Corporation                      West Lake Energy Corp.

**Total approximate value<sup>(1)</sup> for major sellers** **\$360.0 million**

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### Companies with Minor Assets for Sale

101091127 Saskatchewan Ltd.	CPE Pembina Lands Ltd.	Prairie Provident Resources Inc.
Aldon Oils Ltd.	Insignia Energy Ltd.	Sinopec Canada
Ascensun Oil and Gas Ltd.	Kiwetinohk Energy Corp.	Surge Energy Inc.
Aspenleaf Energy Limited	Knowledge Energy Inc.	Tallahassee Exploration Inc.
Burgess Creek Exploration Inc.	Long Fortune Petroleum (SK) Corporation	
Calima Energy Limited	NuVista Energy Ltd.	

**Total approximate value<sup>(1)</sup> for minor sellers** **\$54.7 million**

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### Companies for Sale

Companies which announced in the quarter that they were either available for sale, seeking ways to "maximize shareholder value" or were insolvent are as follows:

Abbey Resources Corporation <sup>(2)</sup>	Copetrex Oil & Gas Co. Ltd. <sup>(2)</sup>	Ribbon Creek Resources Inc.
Canadian Spirit Resources Inc.	Edge Capital Ltd.	Westdrum Energy Ltd.
CEC North Star Energy Ltd.	Erikson National Energy Inc.	Woodrush Royalty ULC
Changhua Canada Energy Ltd. <sup>(2)</sup>	Everest Canadian Resources Corp. <sup>(2)</sup>	
CLEO Energy Corp.	Goldenkey Oil Inc. <sup>(2)</sup>	

**Total approximate value<sup>(1)</sup> for companies for sale** **\$157.5 billion**

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**TOTAL APPROXIMATE VALUE<sup>(1)</sup> FOR ALL M&A CANDIDATES** **\$573.2 million**

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1). Approximate value is an estimation of the overall value of the assets and companies for sale but we have not conducted a detailed valuation of the individual assets or companies. The actual selling prices may vary, perhaps by a considerable amount, from the figures presented here.

2). Companies in BIA, CCAA or Receivership.

## FOURTH QUARTER 2022 TRANSACTION ANALYSIS SUMMARY

Month	Purchaser	Acquisition	Enterprise Value <sup>(1)</sup>	Reserves Value <sup>(1)</sup>
			(\$million)	(\$million)
October	Suncor	Teck assets	688.00	688.00
November	Surge	Enerplus assets	249.58	248.68
December	Archer	Ridgeback assets	103.50	103.50
December	Crescent Point	Paramount assets	375.00	375.00
December	ROK	Whitecap assets	51.50	51.50

Notes: (1) For definitions see page 47



## FOURTH QUARTER 2022 TRANSACTION ANALYSIS SUMMARY

Proven Producing Reserves Mix	Proven BOE Reserve Life Index <sup>(1)</sup>	Reserves <sup>(1)</sup>	Production <sup>(1)</sup>	Cash Flow Multiple <sup>(1)</sup>	Premium/(Discount) <sup>(1)</sup> To Market Price <sup>(1)</sup>
(%oil/%natural gas)	(Res./Annualized Prod.)	(\$/boe)	(\$/boe/d)	Operating	%
100/0	22.5	2.03	26,500	3.0	-
99/1	7.8	16.57	63,421	3.7	-
55/45	17.8	2.98	35,690	2.0	-
54/46	23.6	5.87	80,357	-	-
69/31	13.0	4.95	34,295	4.7	-

## FIRST QUARTER 2023 TRANSACTION ANALYSIS SUMMARY

Month	Purchaser	Acquisition	Enterprise Value <sup>(1)</sup>	Reserves Value <sup>(1)</sup>
			(\$million)	(\$million)
January	Saturn	Ridgeback	524.68	488.10
January	TotalEnergies	Teck assets	312.00	312.00
February	International Petroleum	Cor4	84.00	84.00
March	Crescent Point	Spartan Delta assets	1,700.00 <sup>(4)</sup>	1,700.00
March	Lycos	Alberta assets	50.00	50.00
March	Woodland	Vermilion assets	225.00	225.00

- Notes: (1) For definitions see page 47  
(2) Based on proven plus probable reserves  
(3) Based on proven plus probable producing reserves  
(4) Pending but not closed

## FIRST QUARTER 2023 TRANSACTION ANALYSIS SUMMARY

Proven Producing Reserves Mix	Proven BOE Reserve Life Index <sup>(1)</sup>	Reserves <sup>(1)</sup>	Production <sup>(1)</sup>	Cash Flow Multiple <sup>(1)</sup>	Premium/(Discount) <sup>(1)</sup> To Market Price <sup>(1)</sup>
(%oil/%natural gas)	(Res./Annualized Prod.)	(\$/boe)	(\$/boe/d)	Operating	%
69/31	10.7	5.07	28,711	1.6	-
100/0	22.5	2.03	26,500	3.0	-
84/16 <sup>(2)</sup>	10.8 <sup>(2)</sup>	5.31	21,000	-	-
56/44	12.5	5.87	51,208	3.5	-
100/0 <sup>(3)</sup>	3.3 <sup>(3)</sup>	27.65	33,333	1.9	-
97/3	10.8	6.08	39,092	1.4	-

## FIRST QUARTER MERGER AND ACQUISITION TRANSACTIONS

(exceeding \$5 million in value)

Month	Purchaser	Acquisition	Enterprise Value
			(\$million)
January	Saturn	Ridgeback	524.68
January	Outlier	Cenovus assets	(1)
January	TotalEnergies	Teck assets	312.00
January	Tourmaline	Blue Sky assets	(1)
February	HWN	Bonavista assets	(1)
February	International Petroleum	Cor4	84.00
February	Storm	ARC assets	(1) (2)
March	Cardinal	Broadview assets	10.00
March	Crescent Point	Spartan Delta assets	1,700.00 <sup>(2)</sup>
March	Lycos	Alberta assets	50.00
March	Rife	ROK assets	44.50
March	Robus Acquisition	Robus Resources assets	11.50
March	Undisclosed Buyer	Road 53	(1)
March	Undisclosed Buyer	Tamarack Valley assets	24.10
March	Undisclosed Buyer	West Lake assets	(1)
March	Vermilion	Notine assets	(1) (2)
March	Woodland	Vermilion assets	225.00
<b>First Quarter Total</b>			<b>\$3.2 billion<sup>(3)</sup></b>

Notes: (1) The estimated or confidential amount for this transaction is included in the quarter total  
(2) Pending but not closed  
(3) Confidential transactions are not included on the list, however their values are included in the total

## SELECTED FIRST QUARTER TRANSACTIONS

At this time we do not have enough information to complete a detailed analysis on the following selected transactions. When and if more information becomes available we will update the transaction with a more detailed analysis in one of our future reports.

<b>Purchaser:</b> Cardinal Energy Ltd.		<b>Acquisition:</b> Broadview Energy Ltd. assets	
Transaction Type:	Property	Date Announced:	First Quarter 2023
Price:	\$10.0 million	Date Closed:	April 2023

Cardinal acquired Broadview's thermal oil assets in the Reford, Kelfield and Handel areas of Saskatchewan through the issuance of 1.362 million Cardinal shares plus a 2.0% GORR. The assets are comprised of two approved thermal projects with a combined nameplate capacity of 16,000 bbl/d of oil and a third potential thermal project.

\*\*\*

<b>Purchaser:</b> HWN Energy Ltd.		<b>Acquisition:</b> Bonavista Energy Corporation assets	
Transaction Type:	Property	Date Announced:	February 6, 2023
Price:	Undisclosed	Date Closed:	February 6, 2023

The assets being acquired are located in the Harmattan, McLeod, Niton and Sylvan Lake areas of Alberta. This was one of two transactions closed by HWN in the first quarter as HWN announced that it was the purchaser of certain of Whitecap's non-core properties which was already included in our fourth quarter 2022 statistics.

\*\*\*

<b>Purchaser:</b> Outlier Resources Ltd.		<b>Acquisition:</b> Cenovus Energy Inc. assets	
Transaction Type:	Property	Date Announced:	January 31, 2023
Price:	Undisclosed	Date Closed:	March 21, 2023

Outlier has acquired certain of Cenovus' assets in the McLeod and Whitecourt areas of Alberta.

\*\*\*

<b>Purchaser:</b> Rife Resources Ltd.		<b>Acquisition:</b> ROK Resources Inc. assets	
Transaction Type:	Property	Date Announced:	March 23, 2023
Price:	\$44.5 million	Date Closed:	April 3, 2023

The assets acquired are ROK's 2.11685% working interest in the Weyburn Unit operated by Whitecap. ROK used the proceeds from the sale to reduce its debt outstanding.

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## SELECTED FIRST QUARTER TRANSACTIONS

<b>Purchaser:</b> Robus Acquisition Corp.	<b>Acquisition:</b> Robus Resources Inc. assets
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Transaction Type:	Property	Date Announced:	February 2023
Price:	\$11.5 million	Date Closed:	February 2023

Robus Acquisition acquired Robus Resources' oil and natural gas interests in the Joarcam area of Alberta through a receivership process.

**Note: Sayer Energy Advisors acted as financial advisor to Alvarez & Marsal Canada Inc., the receiver and manager of Robus Resources for this transaction.**

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<b>Purchaser:</b> Storm Development Corp.	<b>Acquisition:</b> ARC Resources Ltd. assets
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Transaction Type:	Property	Date Announced:	February 2023
Price:	Undisclosed	Date Closed:	Pending

The assets being acquired are Montney interests located in the Pouce Coupe area of Alberta.

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<b>Purchaser:</b> Tourmaline Oil Corp.	<b>Acquisition:</b> Blue Sky Resources Ltd. assets
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Transaction Type:	Property	Date Announced:	January 2023
Price:	Undisclosed Buyer	Date Closed:	January 2023

Tourmaline acquired Blue Sky's interests in the Brazeau River, Leland, Peco and Stolberg areas of Alberta.

\*\*\*

<b>Purchaser:</b> Undisclosed Buyer	<b>Acquisition:</b> Road 53 Resources Inc.
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Transaction Type:	Corporate	Date Announced:	March 31, 2023
Price:	Undisclosed	Date Closed:	March 31, 2023

Road 53's main producing property was located in the Leckie area of Alberta.

**Note: Sayer Energy Advisors acted as financial advisor to Road 53 for this transaction.**

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## SELECTED FIRST QUARTER TRANSACTIONS

<b>Purchaser:</b> Undisclosed Buyer	<b>Acquisition:</b> Tamarack Valley Energy Ltd. assets
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Transaction Type:	Property	Date Announced:	March 1, 2023
Price:	\$24.1 million	Date Closed:	Fourth Quarter 2022

Tamarack Valley announced the sale of certain non-core assets to an undisclosed purchaser.

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<b>Purchaser:</b> Undisclosed Buyer	<b>Acquisition:</b> West Lake Energy Corp. assets
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Transaction Type:	Property	Date Announced:	March 31, 2023
Price:	Undisclosed	Date Closed:	March 31, 2023

The assets acquired are located in the Celtic, Mervin, Pikes Peak and Silverdale areas of Saskatchewan.

**Note: Sayer Energy Advisors acted as financial advisor to West Lake for this transaction.**

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<b>Purchaser:</b> Vermilion Energy Inc.	<b>Acquisition:</b> Notine Holdings Inc. assets
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Transaction Type:	Property	Date Announced:	March 30, 2023
Price:	Undisclosed	Date Closed:	Pending

The assets being acquired are Notine's interests located in the Carrot Creek, McLeod, Niton and Rosevear areas of Alberta.

\*\*\*

## CRESCENT POINT / SPARTAN DELTA ASSETS

Purchaser: Crescent Point Energy Corp.  
 Date Announced: March 28, 2023  
 Transaction Type: Property  
 Reserves Acquisition Price: **\$5.78/boe**

Acquisition: Spartan Delta Corp. assets  
 Date Completed: Pending  
 Operating CF Multiple: **3.5 X**  
 Production Acquisition Price: **\$51,208/boe/d**

<u>Estimated Value:</u>	<u>\$MM</u>
Enterprise Value	\$1,700.00
less: Undeveloped land	-
Other assets	-
Value of Reserves	<u>\$1,700.00</u>

### Reserves:

	<u>Oil &amp; NGL</u>	<u>Natural Gas</u>	<u>Total</u>	<u>Net Present Value of Reserves (\$MM):</u>
				<u>Discounted</u>
	<u>(MMbbls)</u>	<u>(Bcf)</u>	<u>(MMboe)</u>	<u>10%</u>
Proven Producing	22.337	105.980	40.000	754.00
Proven Non-Producing & Undeveloped	<u>61.986</u>	<u>294.081</u>	<u>111.000</u>	<u>893.00</u>
<b>Total Proven</b>	<b>84.323</b>	<b>400.061</b>	<b>151.000</b>	<b>1,647.00</b>
Probable	<u>79.856</u>	<u>378.864</u>	<u>143.000</u>	<u>1,271.00</u>
<b>Total P+P</b>	<b><u>164.179</u></b>	<b><u>778.925</u></b>	<b><u>294.000</u></b>	<b><u>2,918.00</u></b>

Source of reserves estimate:

McDaniel & Associates Consultants Ltd. with oil/natural gas reserves split based on production weighting

Effective date of reserves information:

December 31, 2022

<u>RLI:</u>	<u>Proven Producing</u>	<u>Total Proven</u>	<u>Total P+P</u>	<u>Reserve Weighting:</u>	<u>Oil &amp; NGL</u>	<u>Natural Gas</u>
	<u>(years)</u>	<u>(years)</u>	<u>(years)</u>		<u>(%)</u>	<u>(%)</u>
Oil & NGL	3.3	12.5	24.2	Proven Producing	56	44
Natural Gas	3.3	12.5	24.3	Proven	56	44
BOE	3.3	12.5	24.3	P+P	56	44

### Daily Production:

Oil & NGL: 18,549 bbls/d  
 Natural Gas: 87.89 MMcf/d  
**BOE: 33,198 boe/d**

Basis of production information: Average daily production for the two months ended February 28, 2023



## CRESCENT POINT / SPARTAN DELTA ASSETS

<b><u>Undeveloped Land:</u></b>	N.A.
<b><u>Operating Cash Flow Estimate:</u></b>	\$483.00 million per year
Basis of cash flow estimate:	Based on actual operating cash flow from the assets for the two months ended February 28, 2023 before interest, overhead and current income tax.
<b><u>Operating Cash Flow Multiple:</u></b>	3.5 X

### **Price Assumptions Used in Evaluation:**

### **Estimated Future Capital Costs (\$MM):**

	<b><u>Edmonton Par Price 40° API (\$C/bbl)</u></b>	<b><u>AECO Natural Gas Price (\$C/MMbtu)</u></b>		
2023	103.76	4.01	Total	<u>2,733.00</u>
2024	97.74	4.17		
2025	95.27	3.99		
2026	95.58	4.05		
2027	97.07	4.11		

*Effective date of pricing: Average of GLJ Ltd., McDaniel and Sproule Associates Limited's price forecast as at January 1, 2023*

### **Comments:**

The assets being acquired are Montney interests located in the Gold Creek and Karr areas of Alberta. The acquisition adds 600 net Montney locations which are adjacent to Crescent Point's Kaybob Duvernay assets. In conjunction with the transaction, Spartan Delta will transfer 4,000 boe/d of production in the Pouce Coupe and Simonette areas of Alberta, 500 boe/d of northeastern British Columbia production and 55,769 net undeveloped acres in the Flatrock area of northeastern British Columbia to Logan Energy Corp. a newly-formed subsidiary of Spartan, which will be led by certain other members of Spartan Delta's existing executive team. In addition, Spartan Delta will retain and continue to develop its Deep Basin assets. As part of the transactions, Spartan Delta shareholders will receive \$9.50 in cash for each Spartan Delta share held, one common share of Logan for each Spartan Delta share held as well as one Logan share purchase warrant for each Spartan Delta share held. Each warrant will entitle the holder to acquire one Logan share at an exercise price equal to Logan's defined net asset value of \$0.35 per Logan share at any time on or before the close of business on July 17, 2023.

**Date of Analysis:** April 20, 2023

## INTERNATIONAL PETROLEUM / COR4

Purchaser: International Petroleum Corporation

Acquisition: Cor4 Oil Corp.

Date Announced: February 6, 2023

Date Completed: March 6, 2023

Transaction Type: Corporate

Operating CF Multiple: **N.A.**Reserves Acquisition Price: **\$5.31/boe**Production Acquisition Price: **\$21,000/boe/d****Estimated Value:**

	<b>\$MM</b>		<b>\$MM</b>
Equity Value	\$84.00 <sup>(1)</sup>	Enterprise Value	\$84.00
plus: Long term debt	-	less: Undeveloped land	-
Working capital deficit	-	Working capital surplus	-
Other liabilities	-	Other assets	-
Enterprise Value	<u>\$84.00</u>	Value of Reserves	<u>\$84.00</u>

**Reserves:****Net Present Value of Reserves (\$MM):<sup>(2)</sup>**

	<b>Oil &amp; NGL</b>	<b>Natural Gas</b>	<b>Total</b>	<b>Discounted</b>				
				<b>0%</b>	<b>5%</b>	<b>10%</b>	<b>15%</b>	<b>20%</b>
<b>Total P+P</b>	<u>13.3000</u>	<u>15.100</u>	<u>15.817</u>	<u>384.30</u>	<u>295.93</u>	<u>230.74</u>	<u>187.42</u>	<u>157.56</u>

Source of reserves estimate:

International Petroleum Corporation

Effective date of reserves information:

December 31, 2022

<b>RLI:</b>	<b>Total P+P (years)</b>	<b>Reserve Weighting:</b>	<b>Oil &amp; NGL (%)</b>	<b>Natural Gas (%)</b>
Oil & NGL	10.8	P+P	84	16
Natural Gas	10.8			
BOE	10.8			

**Daily Production:**

Oil &amp; NGL: 3,360 bbls/d

Natural Gas: 3.84 MMcf/d

**BOE: 4,000 boe/d**

*Basis of production information: Forecasted daily production for the year ended December 31, 2023 with oil/natural gas split based on reserves weighting*

## INTERNATIONAL PETROLEUM / COR4

Undeveloped Land: N.A.

Operating Cash Flow Estimate: N.A.

Price Assumptions Used in Evaluation:Estimated Future Capital Costs (\$MM):<sup>(2)</sup>

	<u>Edmonton Par Price 40° API (\$C/bbl)</u>	<u>AECO Natural Gas Price (\$C/MMbtu)</u>		
2023	110.67	4.33	2023	15.20
2024	101.25	4.34	2024	10.13
2025	96.18	4.00	2025	18.66
2026	98.10	4.08	Thereafter	<u>39.32</u>
2027	100.06	4.16	Total	<u>83.31</u>

*Effective date of pricing: Sproule Associates Limited December 31, 2022*

Notes:

- 1) Based on a cash payment of \$84.0 million.
- 2) Based on a \$CDN/\$US exchange rate of 1.333.

Comments:

Cor4's main producing properties were located in the Jenner and Princess areas of Alberta. Cor4's interests are complementary to International Petroleum's interests in the Suffield area of Alberta as well as to a recent land acquisition which International Petroleum completed in the fourth quarter of 2022. With this acquisition, International Petroleum has over 25 drilling locations targeting the Ellerslie Formation.

**Date of Analysis:** April 19, 2023

**Date of Financial Information:** December 31, 2022

## LYCOS / ALBERTA ASSETS

Purchaser: Lycos Energy Inc.	Acquisition: Alberta assets
Date Announced: March 1, 2023	Date Completed: February 28, 2023
Transaction Type: Property	Operating CF Multiple: <b>1.9 X</b>
Reserves Acquisition Price: <b>\$27.65/boe</b>	Production Acquisition Price: <b>\$33,333/boe/d</b>

<b><u>Estimated Value:</u></b>	<b><u>\$MM</u></b>
Enterprise Value	\$50.00 <sup>(1)</sup>
less: Undeveloped land	-
Other assets	-
Value of Reserves	<u>\$50.00</u>

### Reserves:

	<u>Oil &amp; NGL</u>	<u>Natural Gas</u>	<u>Total</u>
	(MMbbls)	(Bcf)	(MMboe)
<b>Proven + Probable Producing</b>	<u>1.808</u>	<u>0.000</u>	<u>1.808</u>

Source of reserves estimate: *Lycos Energy Inc.*  
 Effective date of reserves information: *February 1, 2023*

<u>RLI:</u>	<u>Total Proven + Probable Producing</u> (years)	<u>Reserve Weighting:</u>	<u>Oil &amp; NGL</u> (%)	<u>Natural Gas</u> (%)
Oil & NGL	3.3	<b>Proven + Probable Producing</b>	100	0
Natural Gas	-			
BOE	3.3			

### Daily Production:

Oil & NGL: 1,500 bbls/d  
 Natural Gas: - MMcf/d  
**BOE: 1,500 boe/d**

*Basis of production information: Current production as at March 1, 2023*

## LYCOS / ALBERTA ASSETS

<b>Undeveloped Land:</b>	N.A.
<b>Operating Cash Flow Estimate:</b>	\$26.83 million per year
Basis of cash flow estimate:	Based on forecasted operating cash flow from the assets for the twelve months ended February 29, 2024 before interest, overhead and current income tax.
<b>Operating Cash Flow Multiple:</b>	1.9 X

### Notes:

- 1) Based on a cash payment of \$50.0 million and the grant of a 3.0% GORR to the former ownership group on any newly drilled wells on the acquired lands. For the calculation of the purchase price the cash payment was included but no value was assigned to the GORR.

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### Comments:

The assets acquired are located in the Lloydminster, Swimming and Wildmere areas of Alberta. The assets were held in a partnership of which Lycos acquired the remaining unowned 78.15% interest in the partnership. With the acquisition, Lycos now owns 100% of the partnership and, as such, 100% of the assets held by the partnership. With this transaction, Lycos' production is now over 2,700 boe/d (99% oil).

**Date of Analysis:** April 20, 2023

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## SATURN / RIDGEBACK

Purchaser: Saturn Oil & Gas Inc.  
 Date Announced: January 20, 2023  
 Transaction Type: Corporate  
 Reserves Acquisition Price: **\$5.07/boe**

Acquisition: Ridgeback Resources Inc.  
 Date Completed: February 28, 2023  
 Operating CF Multiple: **1.6 X**  
 Production Acquisition Price: **\$28,711/boe/d**

<u>Estimated Value:</u>	<u>\$MM</u>		<u>\$MM</u>
Equity Value	\$524.68 <sup>(1)</sup>	Enterprise Value	\$524.68
plus: Long term debt	-	less: Undeveloped land	-16.58
Working capital deficit	-	Working capital surplus	-20.00 <sup>(2)</sup>
Other liabilities	-	Other assets	-
Enterprise Value	<u>\$524.68</u>	Value of Reserves	<u>\$488.10</u>

### Reserves:

### Net Present Value of Reserves (\$MM):

	<u>Oil &amp; NGL</u>	<u>Natural Gas</u>	<u>Total</u>	<u>Discounted</u>				
				<u>0%</u>	<u>5%</u>	<u>10%</u>	<u>15%</u>	<u>20%</u>
Proven Producing	25.836	70.156	37.529	1,107.50	1,024.30	883.70	773.80	690.90
Proven Non-Producing	0.503	1.724	0.790	27.90	21.70	18.00	15.60	13.80
Undeveloped	<u>21.068</u>	<u>40.694</u>	<u>27.850</u>	<u>758.00</u>	<u>488.90</u>	<u>379.70</u>	<u>229.00</u>	<u>161.70</u>
<b>Total Proven</b>	<b>47.407</b>	<b>112.574</b>	<b>66.169</b>	<b>1,893.40</b>	<b>1,534.90</b>	<b>1,281.40</b>	<b>1,018.40</b>	<b>866.40</b>
Probable	<u>21.990</u>	<u>48.691</u>	<u>30.105</u>	<u>1,194.20</u>	<u>736.60</u>	<u>507.90</u>	<u>376.80</u>	<u>294.30</u>
<b>Total P+P</b>	<b><u>69.397</u></b>	<b><u>161.265</u></b>	<b><u>96.275</u></b>	<b><u>3,087.60</u></b>	<b><u>2,271.50</u></b>	<b><u>1,789.30</u></b>	<b><u>1,395.20</u></b>	<b><u>1,160.70</u></b>

Source of reserves estimate:

Sproule Associates Limited

Effective date of reserves information:

December 31, 2022

<u>RLI:</u>	<u>Proven Producing</u>	<u>Total Proven</u>	<u>Total P+P</u>	<u>Reserve Weighting:</u>	<u>Oil &amp; NGL</u>	<u>Natural Gas</u>
					<u>(years)</u>	<u>(years)</u>
Oil & NGL	5.8	10.6	15.5	Proven Producing	69	31
Natural Gas	6.8	10.9	15.6	Proven	72	28
BOE	6.0	10.7	15.5	P+P	72	28

### Daily Production:

Oil & NGL: 12,272 bbls/d

Natural Gas: 28.37 MMcf/d

**BOE: 17,000 boe/d**

Basis of production information: Current production as at February 28, 2023

## SATURN / RIDGEBACK

### Undeveloped Land:

Total net acres:	165,822
Estimated value	\$16.58 million
Unit value	\$100.00/net acre

Source of land value estimate: Sayer Energy Advisors

### Operating Cash Flow Estimate: \$311.00 million per year

Basis of cash flow estimate: Based on Saturn's forecast of operating cash flow from the Ridgeback assets for the twelve months ended February 29, 2024 before interest, overhead and current income tax.

### Operating Cash Flow Multiple: 1.6 X

### Price Assumptions Used in Evaluation:

	<u>Edmonton Par</u> <u>Price 40° API</u> <u>(\$C/bbl)</u>	<u>AECO Natural</u> <u>Gas Price</u> <u>(\$C/MMbtu)</u>
2023	110.67	4.33
2024	101.25	4.34
2025	96.18	4.00
2026	98.10	4.08
2027	100.06	4.16

Effective date of pricing: December 31, 2022

### Break Fee:

Size (millions)	\$25.00
As percentage of equity value	4.8%
As percentage of enterprise value	4.8%

### Notes:

- 1) Based on a cash payment of \$475.0 million and the issuance of 19,406,167 Saturn shares, with each Saturn share priced at \$2.56 on the last trading day prior to the announcement of the transaction.
- 2) Saturn's estimate as at February 28, 2023.

### Comments:

Ridgeback's main producing properties were located in the Kaybob, Pembina and Swan Hills areas of Alberta and in the Viewfield area of Saskatchewan. The cash portion of the purchase price was funded through a \$125.0 million bought deal equity financing and proceeds from an amended and restated credit agreement with Saturn's existing lender which increased the company's borrowing capacity and provided additional proceeds of \$375.0 million. With this acquisition, Saturn's production has increased to approximately 30,000 boe/d (82% oil and natural gas liquids).

At October 1, 2022 Ridgeback had approximately \$849.0 million in unused Canadian income tax pools.

**Date of Analysis:** April 19, 2023

**Date of Financial Information:** February 28, 2023

## TOTALENERGIES / TECK ASSETS

Purchaser: TotalEnergies EP Canada Ltd.

Date Announced: January 27, 2023

Transaction Type: Property

Reserves Acquisition Price: **\$2.03/boe**

Acquisition: Teck Resources Limited assets

Date Completed: February 2, 2023

Operating CF Multiple: **3.0 X**

Production Acquisition Price: **\$26,500/boe/d**

<b>Estimated Value:</b>	<b>\$MM</b>
Enterprise Value	\$312.00
less: Undeveloped land	-
Other assets	-
Value of Reserves	<u>\$312.00</u>

### Reserves:

### Net Present Value of Reserves (\$MM):

	Oil & NGL (MMbbls)	Natural Gas (Bcf)	Total (MMboe)	Discounted				
				0%	5%	10%	15%	20%
Proven Producing	96.720	0.000	96.720	1,335.36	813.38	539.14	389.38	301.70
Proven Non-Producing & Undeveloped	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Total Proven</b>	<b>96.720</b>	<b>0.000</b>	<b>96.720</b>	<b>1,335.36</b>	<b>813.38</b>	<b>539.14</b>	<b>389.38</b>	<b>301.70</b>
Probable	<u>56.784</u>	<u>0.000</u>	<u>56.784</u>	<u>1,057.68</u>	<u>370.34</u>	<u>157.87</u>	<u>87.98</u>	<u>60.84</u>
<b>Total P+P</b>	<b><u>153.504</u></b>	<b><u>0.000</u></b>	<b><u>153.504</u></b>	<b><u>2,393.04</u></b>	<b><u>1,183.73</u></b>	<b><u>697.01</u></b>	<b><u>477.36</u></b>	<b><u>362.54</u></b>

Source of reserves estimate:

GLJ Ltd.

Effective date of reserves information:

December 31, 2021

RLI:	Proven Producing (years)	Total Proven (years)	Total P+P (years)	Reserve Weighting:	Oil & NGL	Natural Gas
					(%)	(%)
Oil & NGL	22.5	22.5	35.7	Proven Producing	100	0
Natural Gas	-	-	-	Proven	100	0
BOE	22.5	22.5	35.7	P+P	100	0

### Daily Production:

Oil & NGL: 11,774 bbls/d

Natural Gas: - MMcf/d

**BOE: 11,774 boe/d**

Basis of production information: Quarter ended September 30, 2022



## TOTALENERGIES / TECK ASSETS

**Undeveloped Land:** N.A.

**Operating Cash Flow Estimate:** \$104.83 million per year

Basis of cash flow estimate: Based on actual operating cash flow from the assets for the three months ended September 30, 2022 before interest, overhead and current income tax.

**Operating Cash Flow Multiple:** 3.0 X

### Price Assumptions Used in Evaluation:

### Estimated Future Capital Costs (\$MM):

	<u>Western Canadian Select</u> (\$C/bbl)	<u>AECO Natural Gas Price</u> (\$C/MMbtu)		
2022	68.79	3.63	2022	54.14
2023	74.43	3.56	2023	32.40
2024	69.17	3.20	2024	35.14
2025	66.54	3.05	Thereafter	<u>1,029.91</u>
2026	67.87	3.10	Total	<u>1,151.59</u>

*Effective date of pricing: Average of GLJ, McDaniel & Associates Consultants Ltd. and Sproule Associates Limited's price forecasts as at January 1, 2022*

### Comments:

The assets acquired are Teck's 6.65% working interest in the FHOSP. TotalEnergies exercised its pre-emptive right to acquire an interest in the FHOSP after Suncor announced on October 26, 2022 its intention to acquire all of Teck's interest in the FHOSP (page 44). Suncor's interest in the FHOSP increased to 68.8% with TotalEnergies owning the remaining 31.2%.

**Date of Analysis:** March 13, 2023

## WOODLAND / VERMILION ASSETS

Purchaser: Woodland Development Corp.

Date Announced: March 8, 2023

Transaction Type: Property

Reserves Acquisition Price: **\$6.08/boe**

Acquisition: Vermilion Energy Inc. assets

Date Completed: March 29, 2023

Operating CF Multiple: **1.4 X**

Production Acquisition Price: **\$39,092/boe/d**

<u>Estimated Value:</u>	<u>\$MM</u>
Enterprise Value	\$225.00
less: Undeveloped land	-
Other assets	-
Value of Reserves	<u>\$225.00</u>

### Reserves:

### Net Present Value of Reserves (\$MM):

	<u>Oil &amp; NGL</u>	<u>Natural Gas</u>	<u>Total</u>	<u>Discounted</u>
	(MMbbls)	(Bcf)	(MMboe)	10%
Proven Producing	11.757	2.182	12.121	343.00
Proven Non-Producing & Undeveloped	<u>10.258</u>	<u>1.904</u>	<u>10.575</u>	<u>260.00</u>
<b>Total Proven</b>	<b>22.015</b>	<b>4.085</b>	<b>22.696</b>	<b>603.00</b>
Probable	13.880	2.576	14.309	339.00
<b>Total P+P</b>	<b><u>35.895</u></b>	<b><u>6.661</u></b>	<b><u>37.005</u></b>	<b><u>942.00</u></b>

Source of reserves estimate:

GLJ Ltd. with oil/natural gas reserves split based on production weighting

Effective date of reserves information:

September 1, 2022

<u>RLI:</u>	<u>Proven Producing</u>	<u>Total Proven</u>	<u>Total P+P</u>	<u>Reserve Weighting:</u>	<u>Oil &amp; NGL</u>	<u>Natural Gas</u>
	(years)	(years)	(years)		(%)	(%)
Oil & NGL	5.8	10.8	17.6	Proven Producing	97	3
Natural Gas	5.8	10.8	17.6	Proven	97	3
BOE	5.8	10.8	17.6	P+P	97	3

### Daily Production:

Oil & NGL: 5,583 bbls/d

Natural Gas: 1.04 MMcf/d

**BOE: 5,756 boe/d**

Basis of production information: Average daily production for the six months ended June 30, 2022

## WOODLAND / VERMILION ASSETS

**Undeveloped Land:** N.A.

**Operating Cash Flow Estimate:** \$157.00 million per year

Basis of cash flow estimate: Based on actual operating cash flow from the assets for the six months ended June 30, 2022 before interest, overhead and current income tax.

**Operating Cash Flow Multiple:** 1.4 X

### Price Assumptions Used in Evaluation:

	<u>Edmonton Par Price 40° API (\$C/bbl)</u>	<u>AECO Natural Gas Price (\$C/MMbtu)</u>
2022	129.42	6.19
2023	109.39	4.76
2024	97.96	4.27
2025	91.65	3.88
2026	93.48	3.96

*Effective date of pricing:* Average of GLJ, McDaniel & Associates Consultants Ltd. and Sproule Associates Limited's price forecasts as at July 1, 2022

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### Comments:

The assets acquired are located in the Arcola and Queensdale areas of southeastern Saskatchewan. Vermilion used the proceeds from the sale to reduce its debt outstanding.

**Date of Analysis:** March 14, 2023

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## UPDATED TRANSACTION FROM 4Q22

### SUNCOR / TECK ASSETS

Purchaser: Suncor Energy Inc.  
 Date Announced: October 26, 2022  
 Transaction Type: Property  
 Reserves Acquisition Price: **\$2.03/boe**

Acquisition: Teck Resources Limited assets  
 Date Completed: February 2, 2023  
 Operating CF Multiple: **3.0 X**  
 Production Acquisition Price: **\$26,500/boe/d**

<b>Estimated Value:</b>	<b>\$MM</b>
Enterprise Value	\$688.00
less: Undeveloped land	-
Other assets	-
Value of Reserves	<u>\$688.00</u>

**Reserves:****Net Present Value of Reserves (\$MM):**

	<b>Oil &amp; NGL</b>	<b>Natural Gas</b>	<b>Total</b>	<b>Discounted</b>				
				<b>0%</b>	<b>5%</b>	<b>10%</b>	<b>15%</b>	<b>20%</b>
Proven Producing	213.280	0.000	213.280	2,944.64	1,793.62	1,188.86	858.62	665.30
Proven Non-Producing & Undeveloped	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Total Proven</b>	<b>213.280</b>	<b>0.000</b>	<b>213.280</b>	<b>2,944.64</b>	<b>1,793.62</b>	<b>1,188.86</b>	<b>858.62</b>	<b>665.30</b>
Probable	<u>125.216</u>	<u>0.000</u>	<u>125.216</u>	<u>2,332.32</u>	<u>816.66</u>	<u>348.13</u>	<u>194.02</u>	<u>134.16</u>
<b>Total P+P</b>	<b><u>338.496</u></b>	<b><u>0.000</u></b>	<b><u>338.496</u></b>	<b><u>5,276.96</u></b>	<b><u>2,610.27</u></b>	<b><u>1,536.99</u></b>	<b><u>1,052.64</u></b>	<b><u>799.46</u></b>

Source of reserves estimate:

GLJ Ltd.

Effective date of reserves information:

December 31, 2021

<b>RLI:</b>	<b>Proven Producing (years)</b>	<b>Total Proven (years)</b>	<b>Total P+P (years)</b>	<b>Reserve Weighting:</b>	<b>Oil &amp; NGL (%)</b>	<b>Natural Gas (%)</b>
Oil & NGL	22.5	22.5	35.7	Proven Producing	100	0
Natural Gas	-	-	-	Proven	100	0
BOE	22.5	22.5	35.7	P+P	100	0

**Daily Production:**

Oil & NGL: 25,962 bbls/d  
 Natural Gas: - MMcf/d  
**BOE: 25,962 boe/d**

Basis of production information: Quarter ended September 30, 2022

## SUNCOR / TECK ASSETS

<b>Undeveloped Land:</b>	N.A.
<b>Operating Cash Flow Estimate:</b>	\$231.17 million per year
Basis of cash flow estimate:	Based on actual operating cash flow from the assets for the three months ended September 30, 2022 before interest, overhead and current income tax.
<b>Operating Cash Flow Multiple:</b>	3.0 X

### Price Assumptions Used in Evaluation:

### Estimated Future Capital Costs (\$MM):

	<u>Western Canadian Select</u> (\$C/bbl)	<u>AECO Natural Gas Price</u> (\$C/MMbtu)		
2022	68.79	3.63	2022	119.37
2023	74.43	3.56	2023	71.45
2024	69.17	3.20	2024	77.48
2025	66.54	3.05	Thereafter	<u>2,271.09</u>
2026	67.87	3.10	Total	<u>2,539.39</u>

Effective date of pricing: *Average of GLJ, McDaniel & Associates Consultants Ltd. and Sproule Associates Limited's price forecasts as at January 1, 2022*

### Comments:

The assets acquired are Teck's 14.65% working interest in the FHOSP. Suncor initially intended to acquire all of Teck's working interest in the FHOSP but TotalEnergies announced on January 27, 2023 that it exercised its pre-emptive right to acquire an interest in the FHOSP (page 40). With this transaction, Suncor's aggregate share in the FHOSP increased to 68.8% with TotalEnergies owning the remaining 31.2%.

**Date of Analysis:** February 6, 2023

# Recent Transactions Completed by Sayer Energy Advisors

*This announcement appears as a matter of record only.*



ANGEL WING METALS INC.

has sold all of the issued and outstanding shares of its subsidiary

**HUNTINGTON CAPITAL INC.**

---

The undersigned acted as financial advisor to Angel Wing for this transaction.


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SAYER ENERGY ADVISORS

January 2023

*This announcement appears as a matter of record only.*




INSIGNIA

has sold its interests in the Beaverhill Lake area of Alberta.

---

The undersigned acted as financial advisor to Insignia for this transaction.


---



SAYER ENERGY ADVISORS

January 2023

*This announcement appears as a matter of record only.*




ALDON OILS LTD.

has sold its interests in the Bernersyde area of Saskatchewan

---

The undersigned acted as financial advisor to Aldon for this transaction.


---



SAYER ENERGY ADVISORS

February 2023

*This announcement appears as a matter of record only.*




Burgess Creek Exploration INC

has sold its interests in the Elcott area of Saskatchewan

---

The undersigned acted as financial advisor to Burgess for this transaction.


---



SAYER ENERGY ADVISORS

February 2023

*This announcement appears as a matter of record only.*




INSIGNIA

has sold its interests in the Honeysuckle area of Alberta

---

The undersigned acted as financial advisor to Insignia for this transaction.

---




SAYER ENERGY ADVISORS

February 2023


*This announcement appears as a matter of record only.*

All of the oil and natural gas interests in the Joarcam area of Alberta held by



ROBUS RESOURCES INC.


have been sold through its receiver




---

The undersigned acted as financial advisor to Alvarez for this transaction.


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SAYER ENERGY ADVISORS

February 2023

*This announcement appears as a matter of record only.*




BROADVIEW ENERGY

has sold its interests in the Marwayne area of Alberta

---

The undersigned acted as financial advisor to Broadview for this transaction.


---



SAYER ENERGY ADVISORS

March 2023

*This announcement appears as a matter of record only.*




CLEARVIEW RESOURCES LTD

has sold its interests in the Bantry area of Alberta

---

The undersigned acted as financial advisor to Clearview for this transaction.

---



SAYER ENERGY ADVISORS

March 2023

*This announcement appears as a matter of record only.*

All of the outstanding shares of



DRAKKAR ENERGY LTD.

have been acquired by



Blackwell Energy

for approximately

**\$1.5 million**

---

The undersigned acted as financial advisor to Drakkar for this transaction.


---



SAYER ENERGY ADVISORS

March 2023

*This announcement appears as a matter of record only.*




EDGE LRM Operations Ltd.

has sold in multiple transactions certain non-core interests in Alberta

---

The undersigned acted as financial advisor to Edge for these transactions.

---




SAYER ENERGY ADVISORS

March 2023

*This announcement appears as a matter of record only.*

All the issued and outstanding shares of




ROAD 53 Resources Inc.

have been sold

---

The undersigned acted as financial advisor to Road 53 for this transaction.

---




SAYER ENERGY ADVISORS

March 2023


*This announcement appears as a matter of record only.*

Certain oil and natural gas interests in Alberta held by



SanLing ENERGY LTD.


have been sold through its receiver




---

The undersigned acted as financial advisor to PwC for this transaction.


---



SAYER ENERGY ADVISORS

March 2023

*This announcement appears as a matter of record only.*




SURGE ENERGY INC

has sold its interests in the Edmonton area of Alberta

---

The undersigned acted as financial advisor to Surge for this transaction.


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SAYER ENERGY ADVISORS

March 2023

*This announcement appears as a matter of record only.*




WestLake ENERGY

has sold its interests in the Celtic, Mervin, Pikes Peak and Silverdale areas of Saskatchewan

---

The undersigned acted as financial advisor to West Lake for this transaction.

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SAYER ENERGY ADVISORS

March 2023

## NOTES

1. Definitions:
  - a. \$/boe: the value ascribed on a per barrel of oil equivalent (“boe”) basis to proven and probable reserves before royalties using NI 51-101. The detailed analysis of each transaction and the summary graphs use the conversion rates of 6 Mcf equals one barrel. Non-reserve assets and liabilities are excluded from the reserve purchase price for this calculation.
  - b. \$/boe/d: Reserves Value divided by equivalent barrels of daily production.
  - c. Acquisition Value: the estimated fair market value of the amount expended by the purchaser for the equity portion of the acquisition. In some transactions, this figure may be different from the Total Value as the purchaser only acquired a portion of the Total Value.
  - d. Break Fee: the amount payable to the purchaser by the company being acquired (the “seller”) if the seller does not proceed with the transaction agreement in certain circumstances. This would include, but is not limited to, accepting a superior take-over bid.
  - e. Enterprise Value: the total equity value plus long-term debt, working capital deficit and other liabilities. The latter item includes such things as site restoration, executive compensation, future overhead expense, hedging contracts liability or asset.
  - f. GORR: gross overriding royalty.
  - g. Median Acquisition Price: the price where there is an equal number of transactions above and below the median. This approach is less sensitive to extreme values of \$/boe than a simple average and is less sensitive to larger deals than a weighted average.
  - h. Operating Cash Flow Multiple: Reserves Value divided by an estimate of yearly net operating income before overhead, interest and current income tax.
  - i. Premium/(Discount) to Market Price: the percentage premium of the price per common share paid by the purchaser for the acquisition compared to the closing market price of the purchased company on the day prior to the announcement of the take-over.
  - j. Reserve Life Index (“RLI”): Total Proven Reserves divided by total yearly production at production rates noted in the transaction analysis.
  - k. Reserves Value: the acquisition value excluding non-reserve assets and liabilities.
  - l. Total Value: the cash purchase price paid for the assets in the case of an asset acquisition or the price paid for 100% of the equity of the company acquired in the case of a corporate transaction.
2. All Dollar amounts are in Canadian funds, unless noted otherwise.
3. This publication includes only those transactions that involve the purchase of oil and natural gas reserves and that are publicly disclosed. In addition to the transactions noted herein, a number of other private transactions have taken place. Although some transactions may not be included in our database, we believe the published data is representative of industry trends.
4. The Enterprise Value and the Value of Reserves used in this report do not include any value for tax pools acquired in the transaction or created as a result of the transaction. Where available, existing tax pools of the acquired company are described in the Comments section on each individual analysis.
5. The information contained herein was based on information which was obtained from sources which we believe are reliable, however we cannot guarantee its accuracy or completeness. The opinions expressed herein are based on our analysis and interpretation of this information and are not to be construed as a solicitation of an offer to buy or sell any securities. Sayer Energy Advisors may act as financial advisor or fiscal agent for certain companies mentioned herein and may receive remuneration for its services. This report is furnished on the basis and the understanding that Sayer Energy Advisors is to be under no responsibility or liability in respect thereof.
6. While every effort has been made to ensure the accuracy and timeliness of this publication, the analysis and comments are necessarily of a general nature. We would also like to note that there is more information available in our files on specific transactions that we can publish in the Report. Clients are urged to seek specific advice on matter of concern and not to rely solely on the text of this publication.
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