



SECOND QUARTER 2022

Median Reserves Acquisition Price
\$18.99/boe

Median Production Acquisition Price
\$52,500/boe/d

Enterprise Value of Transactions
\$4.2 billion

Assets and Companies for Sale
\$2.2 billion



CANADIAN OIL INDUSTRY MERGER AND ACQUISITION REPORT

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HIGHLIGHTS

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Median Reserves Acquisition Price \$18.99/boe	Enterprise Value of Transactions \$4.2 billion
Median Production Acquisition Price \$52,500/boe/d	Assets and Companies for Sale \$2.2 billion

Purchaser	Acquisition	Enterprise Value \$MM	Acquisition Price		Page Number
			\$/boe	\$/boe/d	
Cenovus	BP assets	\$1,200.00	\$2.63	\$48,000	32
Saturn	Crescent Point assets	\$260.00	\$18.99	\$60,263	34
Tamarack Valley	Rolling Hills	\$94.09	\$24.76	\$44,804	36
Whitecap	XTO	\$1,880.00	\$4.17	\$52,500	38

Table of Contents

M&A Value Up 314% Quarter-Over-Quarter	5
Enterprise Value of Transactions.....	6
Total Financings Versus M&A Enterprise Value	7
Number of Transactions	8
Median Production Acquisition Price	10
Median Reserves Acquisition Price	12
Production and Reserve Metrics By Area	14
Cash Flow Multiples	16
Discounted Cash Flow Rates	17
Reserve Life Index	18
Correlation of M&A Prices and Commodity Prices	19
Prior Quarter Update	20
Third Quarter 2022 Merger & Acquisition Activity.....	21
Merger and Acquisition Candidates	22
Transaction Analysis Summary	24
First Quarter 2022.....	24
Second Quarter 2022.....	26
Listing of Second Quarter 2022 Transactions	28
Selected Second Quarter 2022 Transactions	29
Analysis of Second Quarter 2022 Transactions	32
Cenovus / BP assets.....	32
Saturn / Crescent Point assets	34
Tamarack Valley / Rolling Hills	36
Whitecap / XTO.....	38
Notes.....	41

M&A VALUE UP 314% QUARTER-OVER-QUARTER

The total M&A activity in the second quarter of 2022 was approximately \$4.2 billion up 314% from the \$1.0 billion of total enterprise value of M&A activity recorded in the first quarter of 2022. In the second quarter of 2021, the total enterprise value was approximately \$3.7 billion. There were two transactions valued at over \$1.0 billion in the second quarter of 2022.

The largest transaction this quarter was Whitecap Resources Inc.'s planned acquisition of XTO Energy Canada which is jointly owned by Imperial Oil Limited and ExxonMobil Canada for approximately \$1.9 billion (page 38). XTO's assets consist of Montney and Duvernay interests. Production associated with the acquisition includes approximately 11,000 boe/d from the Montney Formation and 21,000 boe/d from the Duvernay Formation. The acquisition adds 672,000 (639,000 net) acres of Montney and Duvernay lands and includes 1,910 net drilling locations consisting of 217 Duvernay locations and 1,693 Montney locations. The Montney assets consolidate Whitecap's working interests at Kakwa and the Duvernay assets represent Whitecap's entry into the Duvernay play and includes a 100% working interest in a shallow cut natural gas processing facility. Whitecap is funding the acquisition through existing credit facilities and a new committed four-year term loan. Concurrent with the acquisition, Whitecap announced a 22% increase to its monthly dividend to \$0.0367 per share.

Another significant transaction in the quarter was Cenovus Energy Inc.'s planned purchase of BP Plc's assets for \$1.2 billion (page 32). The asset being acquired is the remaining 50% working interest in the Sunrise oil sands project in northern Alberta. Cenovus currently operates Sunrise and owns 50% of the asset through the Sunrise Oil Sands Partnership, with BP. The purchase price of \$1.2 billion consists of a cash payment of \$600.0 million, a variable payment of up to \$600.0 million and Cenovus' 35% working interest in the undeveloped Bay du Nord project offshore Newfoundland and Labrador. For the calculation of the purchase price, the total variable payment amount of \$600.0 million was included but no value was assigned to Cenovus' interest in the Bay du Nord project. The variable payment amount is calculated quarterly based on a payment of \$2.8 million for every dollar the WCS benchmark exceeds \$52.00/bbl. This variable payment expires after two years even if the maximum amount of \$600.0 million is not reached. Due to the unconventional nature of the assets found in the Cenovus/BP asset transaction, we have excluded the \$/boe and \$/boe/d metrics of this transaction from our calculation of the median prices for the second quarter of 2022.

The number of large transactions (over \$5 million in value) in the second quarter of 2022 decreased to 11 deals from 12 in the first quarter of 2022. With the increase in enterprise value in the second quarter, the average deal size for large transactions increased to \$377.8 million; last quarter it was \$77.5 million.

Of the 11 large transactions in the second quarter, there were six corporate transactions and five property deals, with total enterprise values of \$2.4 billion and \$1.8 billion respectively. Last quarter there were five corporate deals valued at \$666.8 million and seven property transactions valued at \$263.2 million. Of the approximately \$4.2 billion in large transactions in the quarter, eight deals were oil-weighted and three transactions were weighted towards natural gas, with total enterprise values of approximately \$2.3 billion and \$1.9 billion respectively.

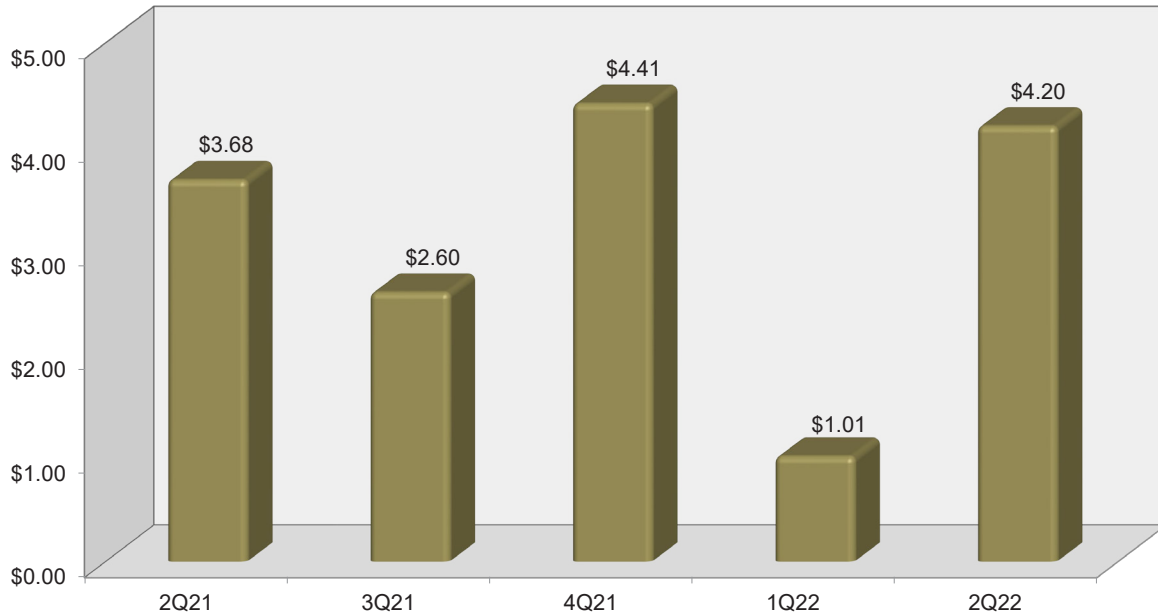
The median acquisition price paid per flowing barrel increased 96% to \$52,500/boe/d in the second quarter of 2022 from \$26,760/boe/d in the first quarter of 2022. The median acquisition price for proven plus probable reserves increased 259% quarter-over-quarter to \$18.99/boe from \$5.29/boe in the first quarter of 2022. The significant increase on a quarter-over-quarter basis can be attributed to a small number of transactions which were analyzed in the second quarter of 2022.

The spread between oil and natural gas on a \$/boe/d basis flipped on a quarter-over-quarter basis. In the second quarter of 2022, the median price paid for oil weighted transactions was \$52,534/boe/d versus \$52,500/boe/d for natural gas transactions, a minimal spread of \$34/boe/d. In the first quarter of 2022 the spread was \$68,645/boe/d towards natural gas. On a proved plus probable reserves basis, the spread between oil and natural gas also flipped quarter-over-quarter. The median acquisition price for oil in the second quarter of 2022 was \$21.88/boe and \$4.17/boe for natural gas, a \$17.71 spread toward oil. During the first quarter of 2022, the spread was \$0.50 in favour of natural gas.

Another trend we saw in the second quarter of 2022 was a number of privately-held oil and natural gas companies which were sold to both publicly traded and privately-held oil and natural gas companies. Examples of this in the second quarter include Tamarack Valley Energy Ltd.'s purchase of Rolling Hills Energy Ltd. for approximately \$94.1 million (page 36), Astar Energy Corp.'s acquisition of both Amicus Petroleum Inc. and Glenogle Energy Inc. (page 29) and the sales of both Allied Energy Corporation (page 29) and Black Crane Energy Corp. (page 30). With current high commodity prices, we may see this trend of private companies monetizing continue throughout the remainder of 2022.

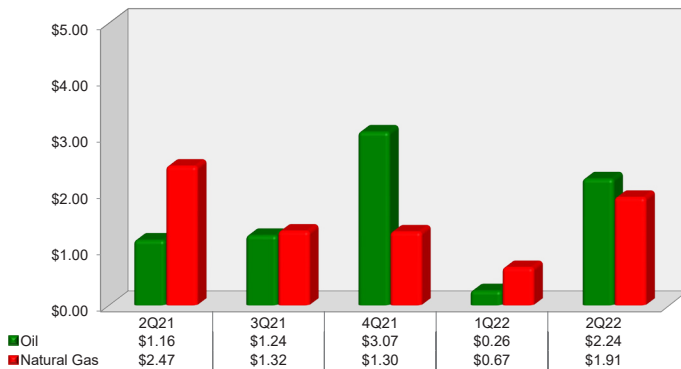
M&A ENTERPRISE VALUE

M&A Enterprise Value of Transactions - \$Billions

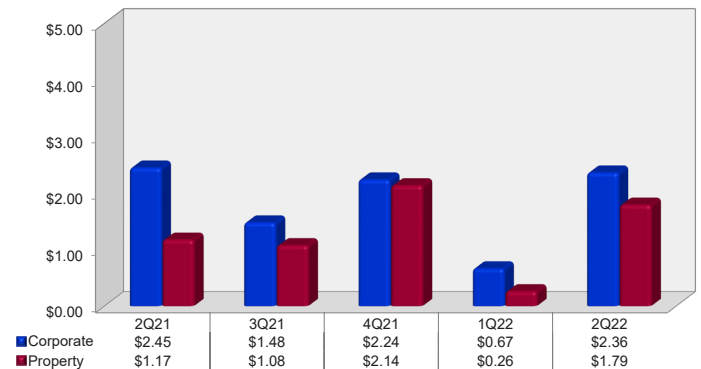


The total M&A enterprise value (large and small deals) in the second quarter of 2022 increased 314% to \$4.2 billion from approximately \$1.0 billion recorded in the first quarter of 2022. On a year-over-year basis, the enterprise value in the second quarter rose 14% from the \$3.7 billion recorded in the second quarter of 2021.

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



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

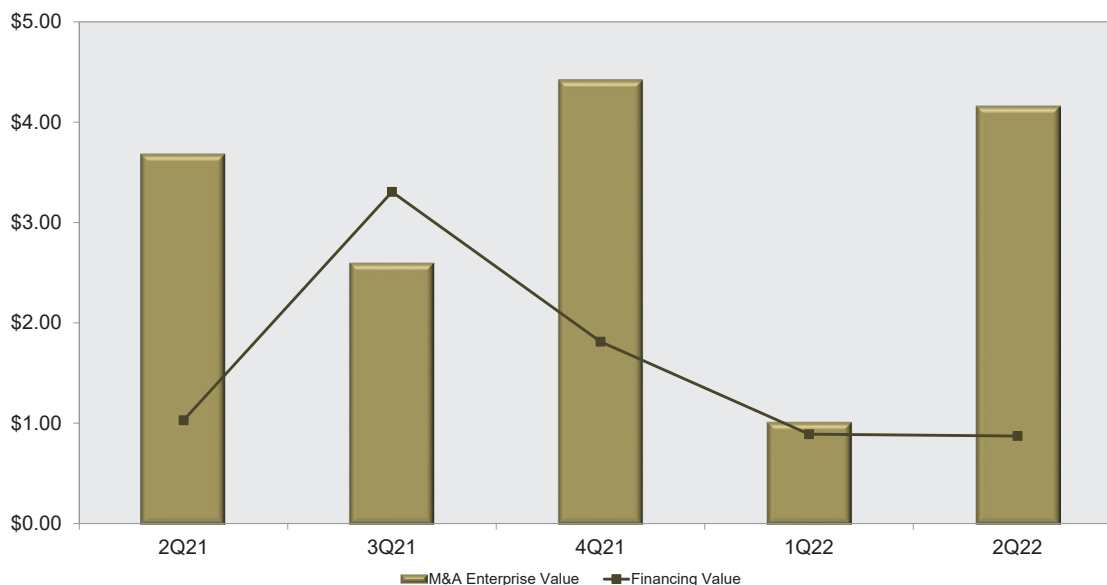


The enterprise value for large oil-weighted transactions valued at over \$5.0 million was \$2.2 billion in the second quarter of 2022, a 763% increase from approximately \$260.0 million in the first quarter of 2022. The enterprise value for large natural gas-weighted transactions in the second quarter rose to \$1.9 billion from approximately \$670.0 million recorded in the first quarter of 2022.

Corporate transactions valued at over \$5.0 million jumped 254% to \$2.4 billion in the second quarter from \$666.8 million in the second quarter of 2022. The enterprise value for property transactions valued at over \$5.0 million increased 582% to \$1.8 billion in the second quarter of 2022 from \$263.2 million in the prior quarter.

TOTAL FINANCINGS VERSUS M&A ENTERPRISE VALUE

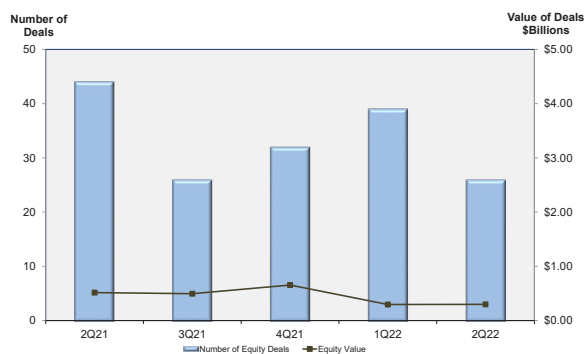
Enterprise Value of Transactions Relative to Total Value of Financings - \$Billions



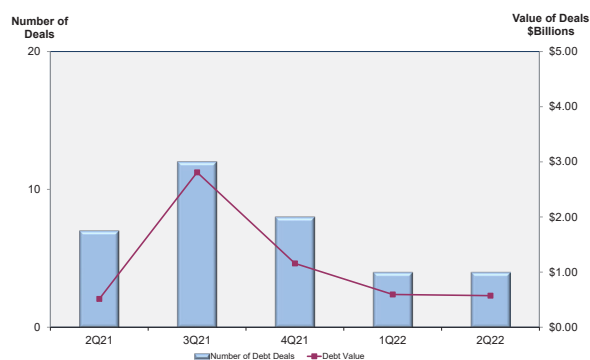
The total value of financings in the second quarter of 2022 decreased 2% to \$872.1 million from \$890.5 million in the first quarter of 2022. The total number of financings in the second quarter of 2022 was 30, compared to 43 in the previous quarter.

The amount of equity raised in the second quarter of 2022 was \$299.5 million, compared to \$296.4 million in the first quarter of 2022. The total number of equity financings in the second quarter was 26, compared to 39 in the first quarter of 2022. Debt financings decreased to \$572.6 million in the second quarter from \$594.1 million in the first quarter. The total number of debt financings in the second quarter remained unchanged at four from the previous quarter.

Equity Financings Value - \$Billions



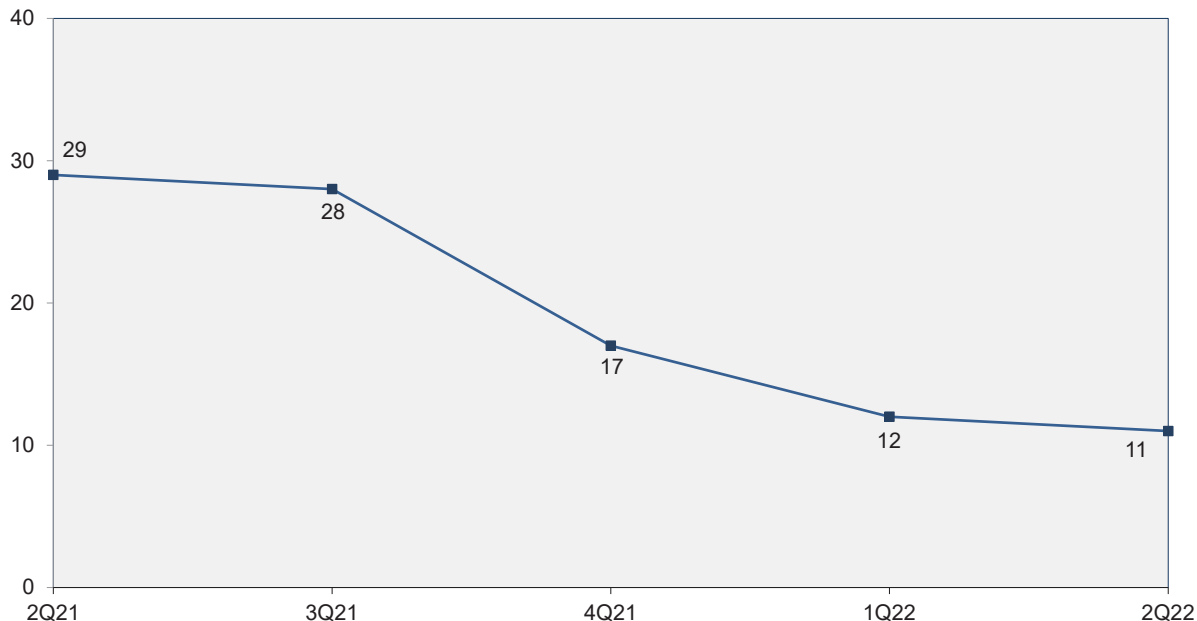
Debt Financings Value - \$Billions



The largest equity offering in the quarter was Saturn Oil & Gas Inc.'s bought deal equity financing through the issuance of 27,181,860 units at a price of \$2.75 per unit for gross proceeds of approximately \$74.8 million. Each unit consisted of one common share of Saturn and one-half of one common share purchase warrant of Saturn. Each full warrant will be exercisable into one common share of Saturn until July 7, 2023 at an exercise price of \$3.20, subject to adjustment in certain events. Proceeds of the offering were used towards the acquisition of assets from Crescent Point Energy Corp. for \$260.0 million (page 34).

In the second quarter, the largest debt financing was Vermilion Energy Inc.'s USD \$400.0 million offering. The senior unsecured notes are for an eight-year term with a 6.875% interest rate. The net proceeds of the offering were used to reduce the amount outstanding on Vermilion's revolving credit facility.

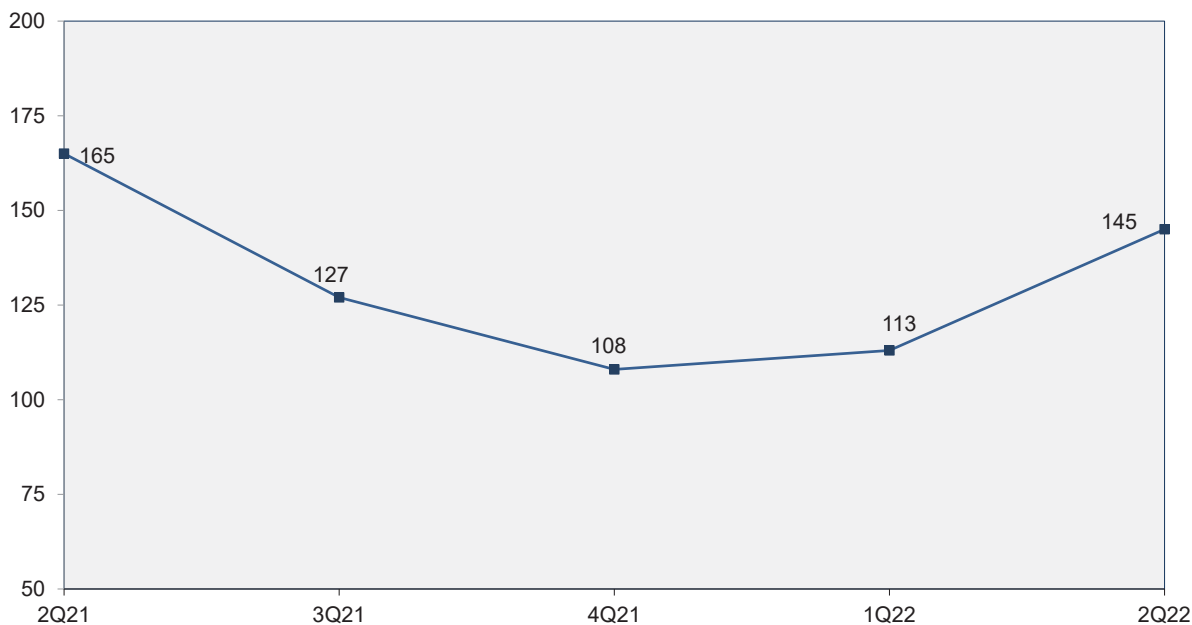
Number of Transactions Over \$5.0 Million



The number of large transactions (valued at over \$5 million in size) was 11 in the second quarter of 2022, down slightly from the 12 deals recorded in the previous quarter. The average deal size for large transactions in the second quarter was approximately \$377.8 million compared to \$77.5 million last quarter. There were six large corporate transactions and five large property transactions in the second quarter, with average deal sizes of \$393.7 million and \$358.8 million respectively. The enterprise value of large transactions this quarter was \$4.2 billion compared to approximately \$930.0 million in the previous quarter.

The number of small deals (under \$5 million in size) increased 28% to 145 in the second quarter of 2022 from the 113 recorded last quarter. The total value of small deals fell 49% on a quarter-over-quarter basis to approximately \$42.2 million from \$82.9 million in the first quarter of 2022.

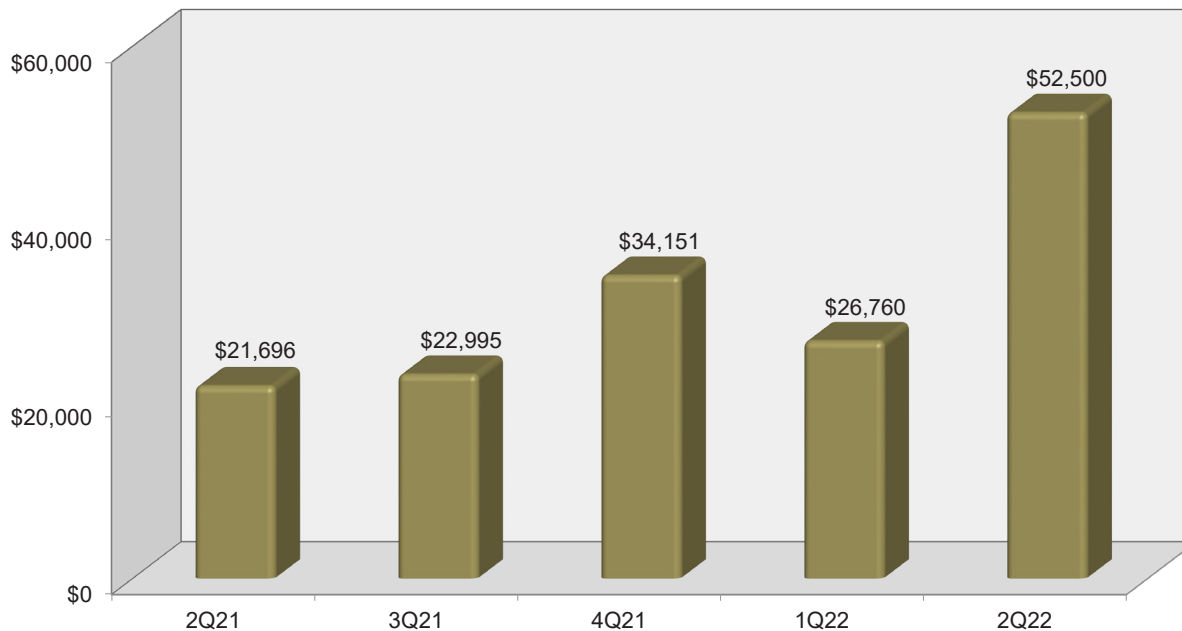
Number of Transactions Under \$5.0 Million



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MEDIAN PRODUCTION ACQUISITION PRICE

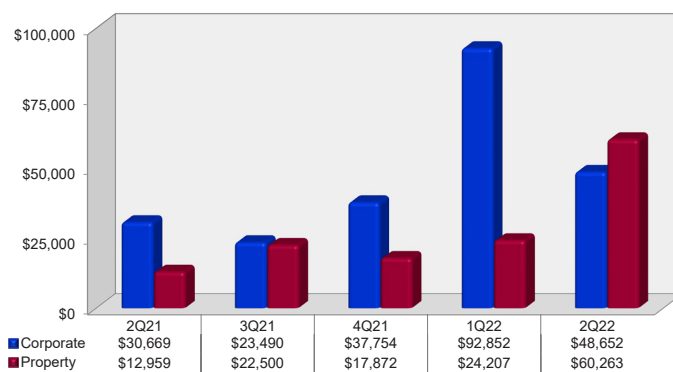
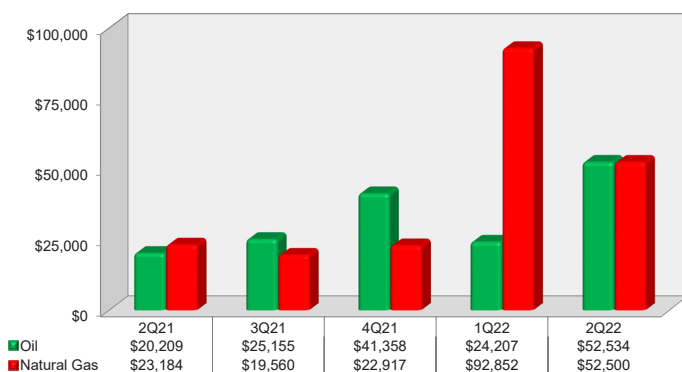
Median Production Acquisition Price - \$/boe/d



The median acquisition price per producing barrel of oil equivalent jumped 96% to \$52,500/boe/d in the second quarter of 2022 from the first quarter price of \$26,760/boe/d. On a year-over-year basis, the median acquisition price for production is up 142% from the \$21,696/boe/d recorded in the second quarter of 2021.

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 increased 117% to \$52,534/boe/d in the second quarter of 2022 from \$24,207/boe/d in the first quarter. The median price paid for natural gas-weighted transactions on a \$/boe/d basis dropped 43% to \$52,500/boe/d from \$92,852/boe/d. There were eight large oil-weighted transactions and three large natural gas-weighted transactions this quarter.

The median price paid for production for corporate transactions fell 48% in the second quarter to \$48,652/boe/d from \$92,852/boe/d in the first quarter of 2022. The median production price paid for property transactions increased 149% to \$60,263/boe/d from \$24,207/boe/d. There were six large corporate transactions and five large property transactions in the second quarter of 2022.

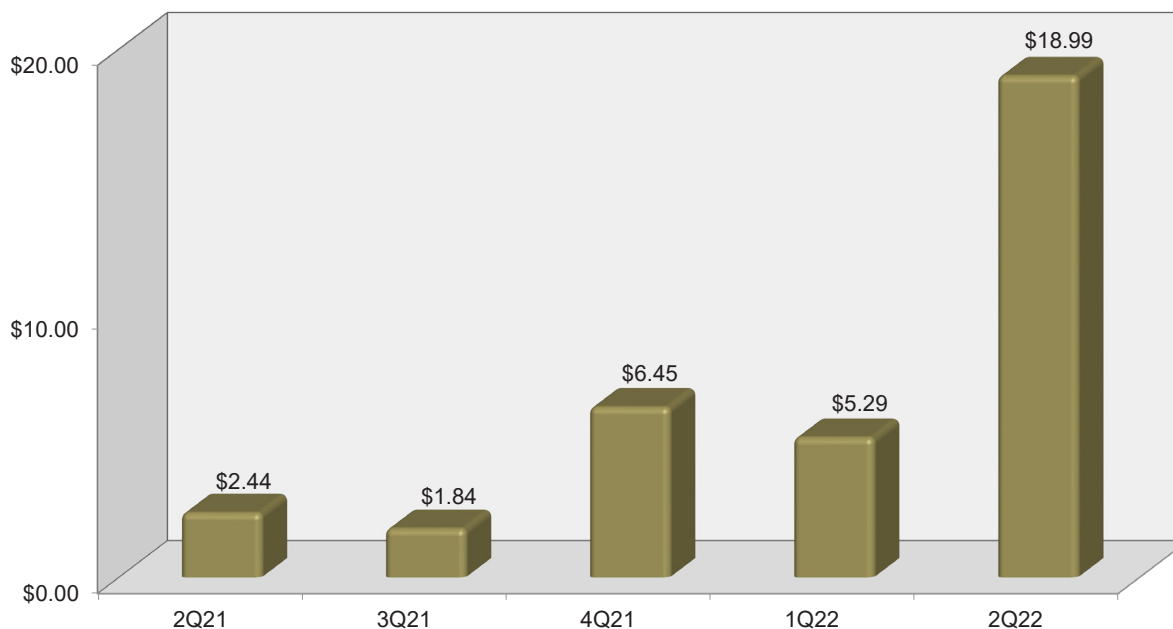
A transaction that is representative of the median acquisition price on a \$/boe/d basis was Whitecap's previously-mentioned pending acquisition of XTO for \$52,500/boe/d (page 38). XTO's assets consist of Montney and Duvernay interests. Production associated with the acquisition includes approximately 11,000 boe/d from the Montney Formation and 21,000 boe/d from the Duvernay Formation. The acquisition adds 672,000 (639,000 net) acres of Montney and Duvernay lands and includes 1,910 net drilling locations consisting of 217 Duvernay locations and 1,693 Montney locations. The Montney assets consolidate Whitecap's working interests at Kakwa and the Duvernay assets represent Whitecap's entry into the Duvernay play and includes a 100% working interest in a shallow cut natural gas processing facility.

The highest-priced transaction on a production basis was Saturn's previously-mentioned acquisition of assets from Crescent Point for \$60,263/boe/d (page 34). The acquired assets are located in the Kindersley, Herschel and Plato areas of southwestern Saskatchewan. With this transaction, Saturn is forecasting its average daily production in 2022 to increase to 10,050 boe/d (96% oil and ngl's). The acquisition was funded through an increase of \$200.0 million to Saturn's existing senior secured term loan and a bought deal equity financing through the issuance of 27,181,860 units at a price of \$2.75 per unit for gross proceeds of approximately \$74.8 million. Each unit consisted of one common share of Saturn and one-half of one common share purchase warrant of Saturn. Each full warrant will be exercisable into one common share of Saturn until July 7, 2023 at an exercise price of \$3.20, subject to adjustment in certain events.

The lowest-priced transaction on a production basis was Tamarack Valley's previously-mentioned acquisition of Rolling Hills for \$44,804/boe/d (page 36). The acquisition consolidates Tamarack Valley's working interest and operatorship to 100% in the greater Jarvie play in the southern Clearwater area of Alberta. The acquisition adds 70 gross (54 net) drilling locations across 1/3 of the 34,506 net acres acquired. In conjunction with the acquisition, Tamarack Valley also increased its dividend by 20% to \$0.01 per month. Concurrent with the acquisition, Tamarack Valley announced an extension and increase of its sustainability linked revolving credit facility to \$650.0 million. As part of the transaction, shareholders of Rolling Hills received 0.387 of one common share of a newly created Clearwater growth focused company named Clear North Energy Corp. Clear North will operate as a private company and will be led by former members of the Rolling Hills management team. Clear North retained certain Rolling Hills' Clearwater lands totaling approximately 193,000 net acres and estimated production of 700 bbl/d of oil. In the first quarter of 2022, Rolling Hills sold its light oil production in the Viking and Sparky formations in Alberta and Saskatchewan, and related undeveloped land to Astarra for \$95.0 million.

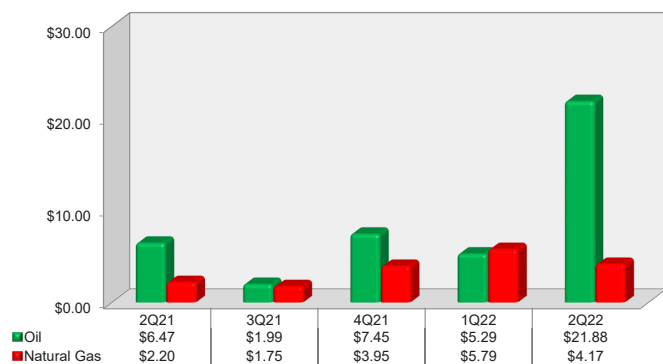
MEDIAN RESERVES ACQUISITION PRICE

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

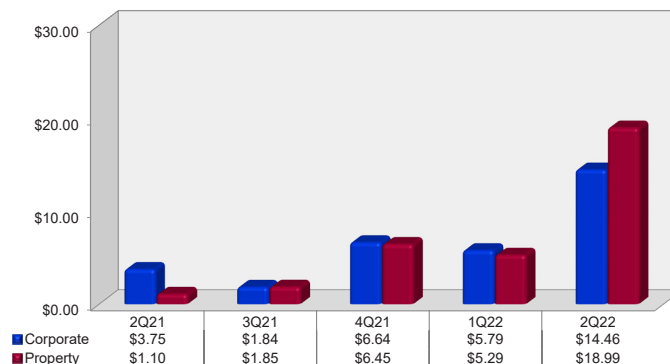


The median acquisition price for proven plus probable reserves increased 259% to \$18.99/boe this quarter from \$5.29/boe in the first quarter of 2022. On a year-over-year basis, the price for proven plus probable reserves increased 678% from \$2.44/boe in the second quarter of 2021.

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 rose 314% to \$21.88/boe in the second quarter of 2022 from \$5.29/boe in the previous quarter. The price paid for natural gas-weighted transactions decreased 28% to \$4.17/boe from \$5.79/boe in the first quarter of 2022.

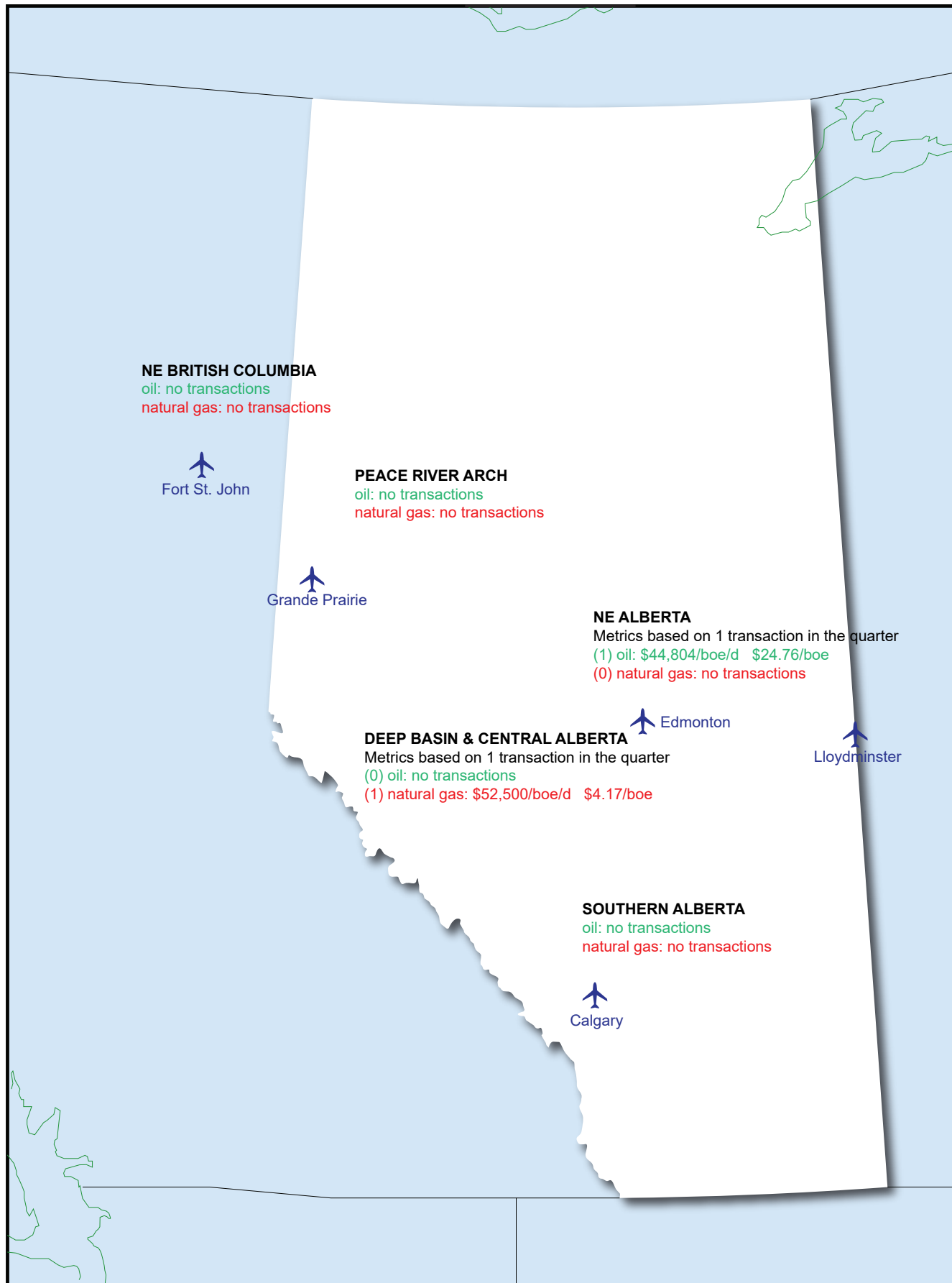
The median reserves acquisition price paid for corporate transactions in the second quarter of 2022 jumped 150%, increasing to \$14.46/boe, compared to \$5.79/boe paid in the first quarter of 2022. The price paid for property transactions increased to \$18.99/boe in the second quarter compared to \$5.29/boe paid last quarter, a 259% increase.

A transaction that is representative of the median reserves acquisition price on a \$/boe basis was Saturn's previously-mentioned acquisition of assets from Crescent Point for \$18.99/boe (page 34). The acquired assets are located in the Kindersley, Herschel and Plato areas of southwestern Saskatchewan. With this transaction, Saturn is forecasting its average daily production in 2022 to increase to 10,050 boe/d (96% oil and ngls). The acquisition was funded through an increase of \$200.0 million to Saturn's existing senior secured term loan and a bought deal equity financing through the issuance of 27,181,860 units at a price of \$2.75 per unit for gross proceeds of approximately \$74.8 million. Each unit consisted of one common share of Saturn and one-half of one common share purchase warrant of Saturn. Each full warrant will be exercisable into one common share of Saturn until July 7, 2023 at an exercise price of \$3.20, subject to adjustment in certain events.

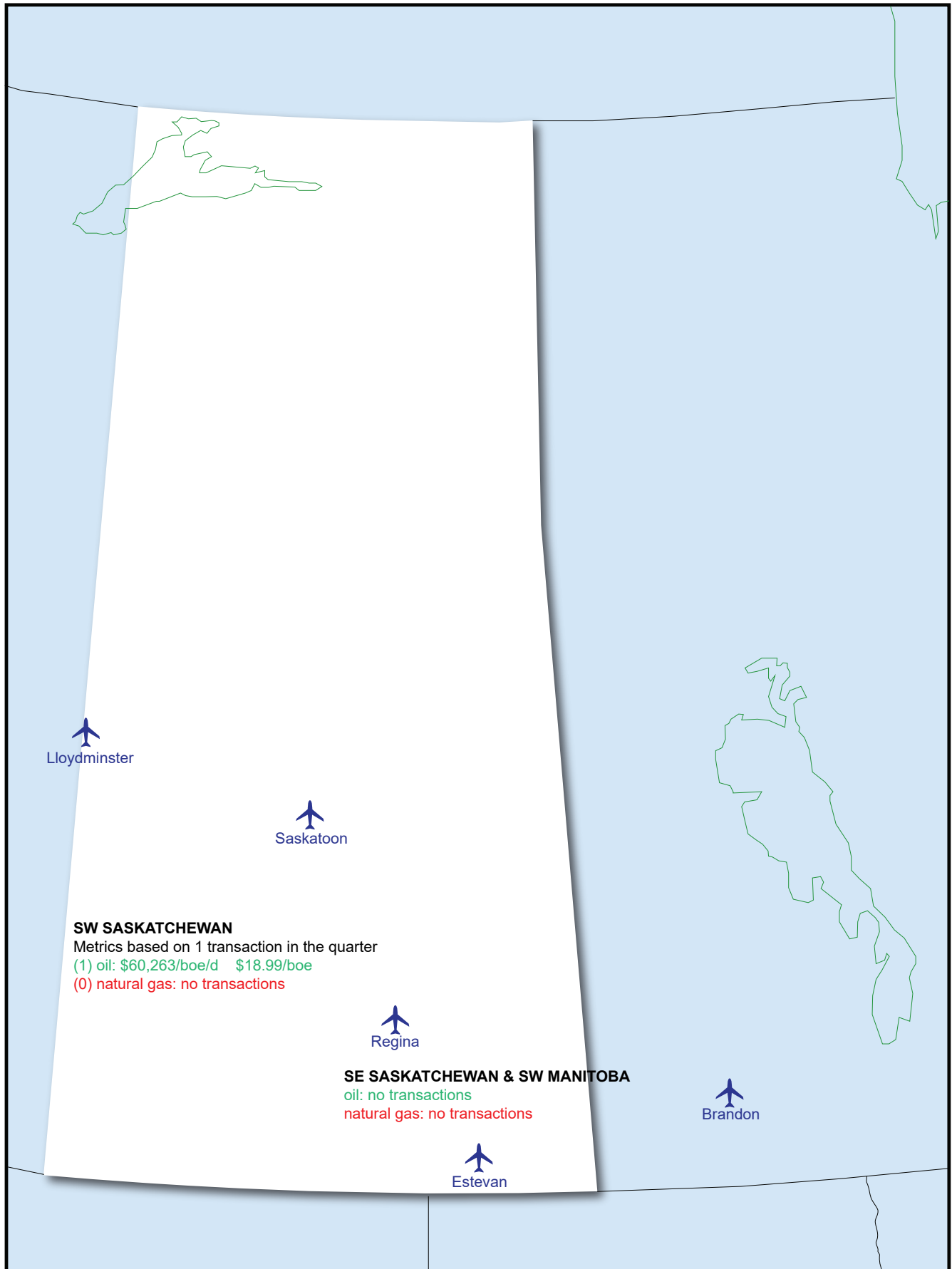
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The lowest-priced transaction on a reserves basis was Whitecap's previously-mentioned pending acquisition of XTO for \$4.17/boe (page 38). XTO's assets consist of Montney and Duvernay interests. Production associated with the acquisition includes approximately 11,000 boe/d from the Montney Formation and 21,000 boe/d from the Duvernay Formation. The acquisition adds 672,000 (639,000 net) acres of Montney and Duvernay lands and includes 1,910 net drilling locations consisting of 217 Duvernay locations and 1,693 Montney locations. The Montney assets consolidate Whitecap's working interests at Kakwa and the Duvernay assets represent Whitecap's entry into the Duvernay play and includes a 100% working interest in a shallow cut natural gas processing facility.

PRODUCTION AND RESERVE METRICS BY AREA

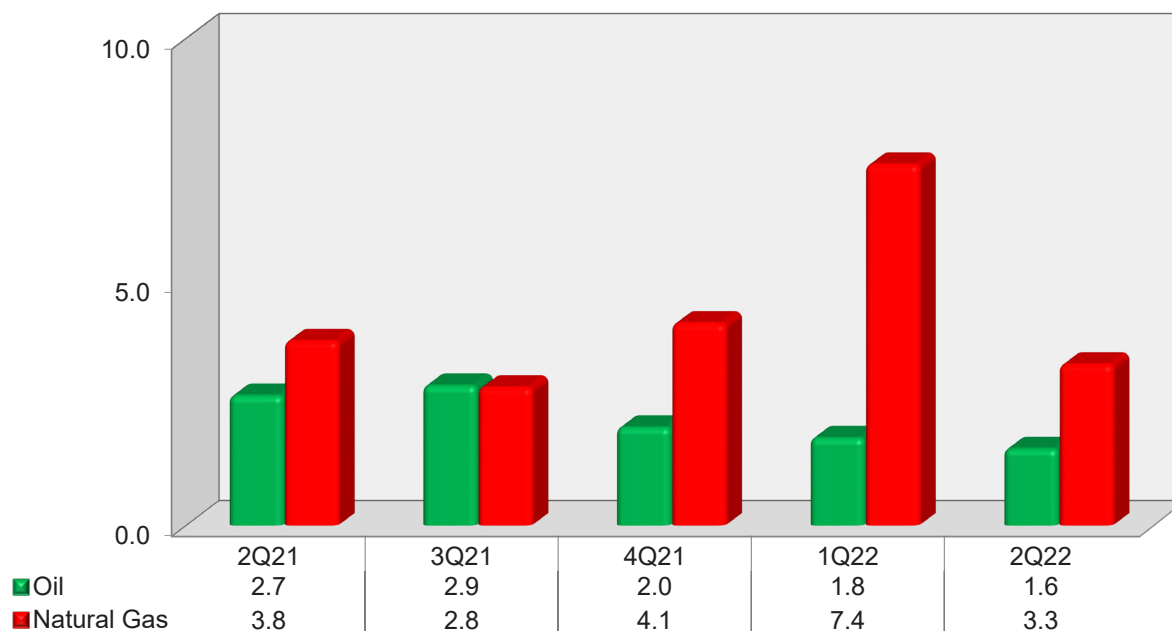


PRODUCTION AND RESERVE METRICS BY AREA



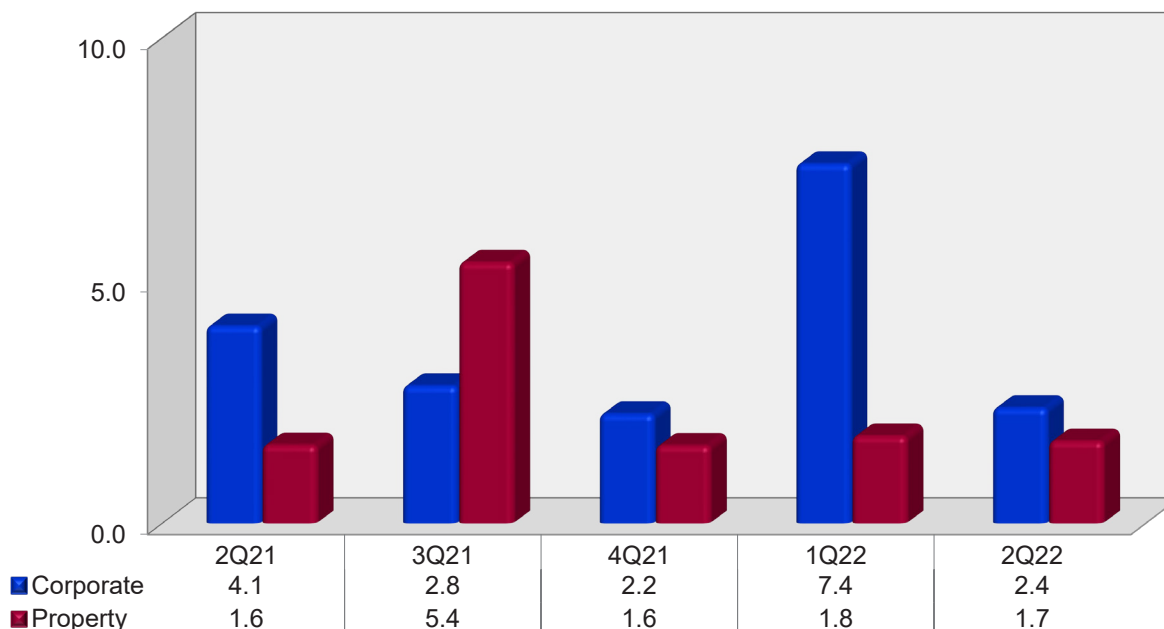
CASH FLOW MULTIPLES

Median Acquisition Operating Cash Flow Multiples
Oil vs. Natural Gas



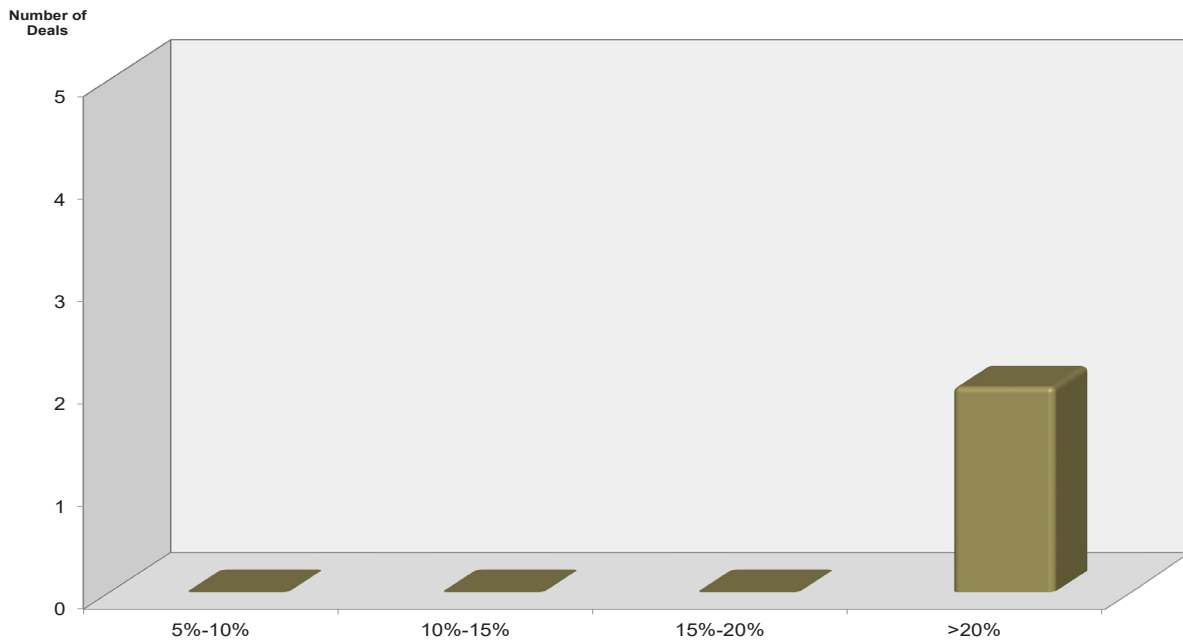
The median operating cash flow multiple for oil-weighted transactions in the second quarter of 2022 was 1.6, down 11% from the 1.8 recorded in the first quarter. The median operating cash flow multiple for natural gas-weighted transactions in the second quarter of 2022 dropped 55% to 3.3 from 7.4 in the first quarter.

Median Acquisition Operating Cash Flow Multiples
Corporate vs. Property



The median operating cash flow multiple for corporate transactions in the second quarter of 2022 fell to 2.4, compared to the 7.4 recorded in the first quarter. The median operating cash flow multiple for property transactions in the second quarter of 2022 dipped to 1.7 from the 1.8 recorded in the first 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.

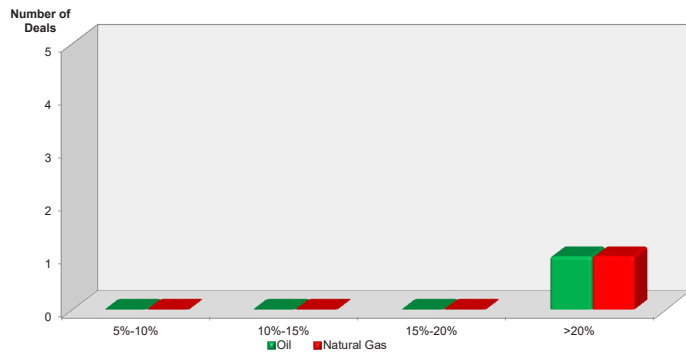
DISCOUNTED CASH FLOW RATES



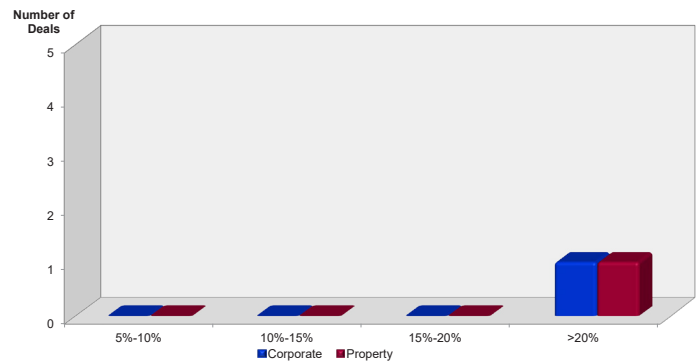
The discounted cash flow (“DCF”) rates on a proven plus probable basis have been analyzed for two transactions in the second quarter of 2022.

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



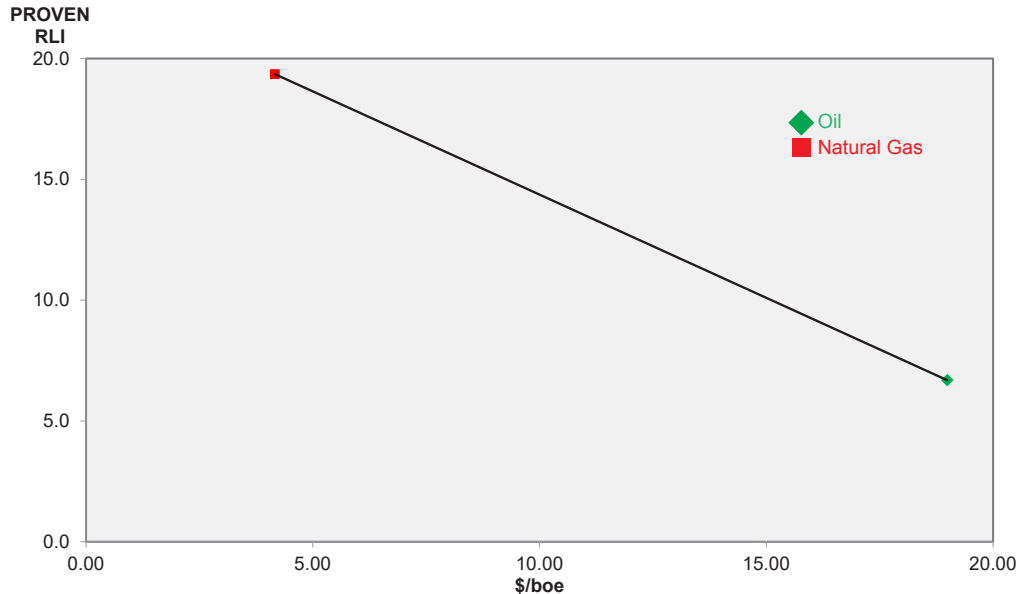
Discounted Cash Flow Rates
Corporate vs. Property



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 second quarter of 2022. The RLI is calculated by dividing the total proven reserves by the annualized production.

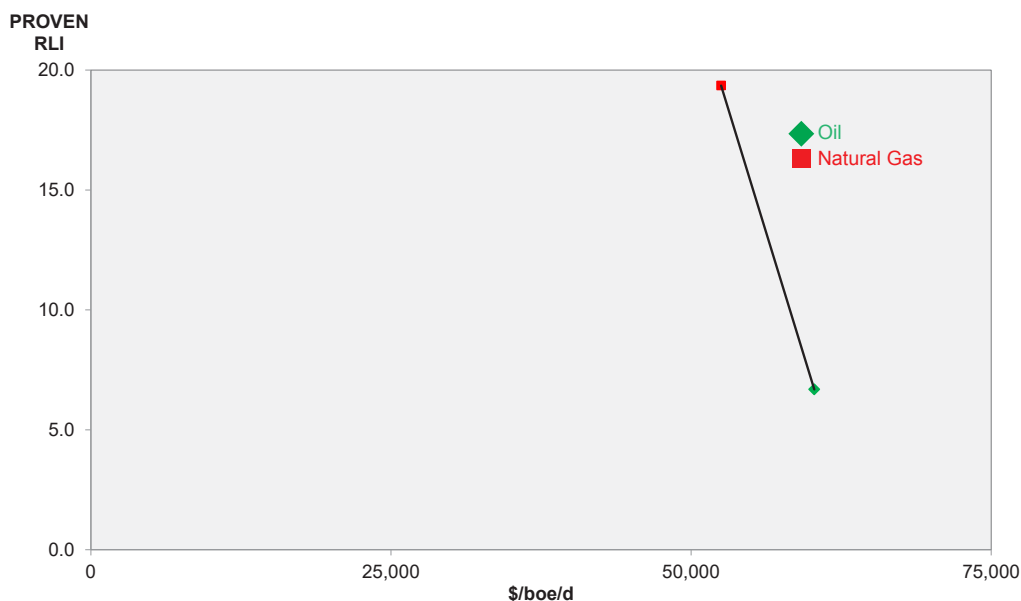
Proven RLI vs. \$/boe



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.

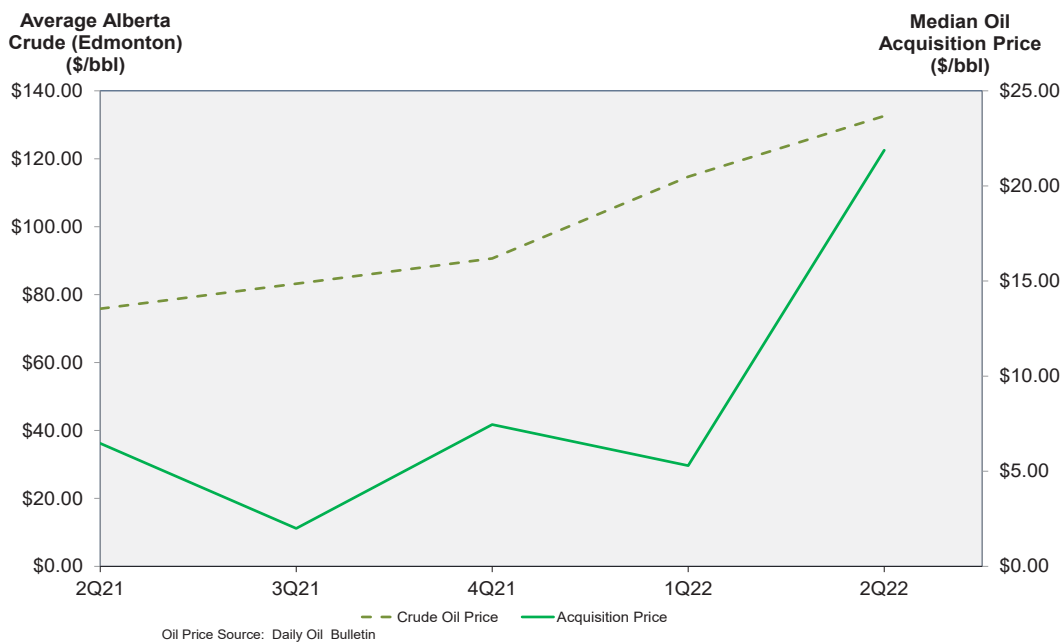
The chart for RLI versus production acquisition prices (\$/boe/d) illustrated below also shows a negative correlation, in that as RLI decreases, production acquisition costs increase. Typically, the correlation between RLI and production acquisition costs are positive in that as RLI increases production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

Proven RLI vs. \$/boe/d



CORRELATION OF M&A PRICES AND COMMODITY PRICES

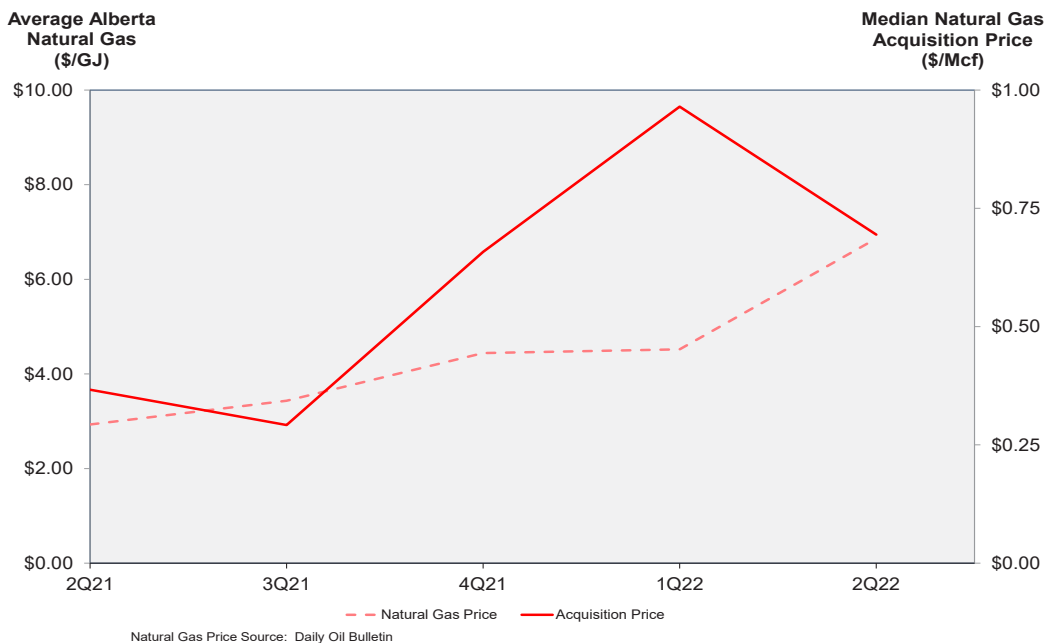
Oil Acquisition Price vs. Crude Oil Price



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 continued to increase quarter-over-quarter and over the same time period, the acquisition price has increased significantly. It appears that buyer sentiment towards oil is positive with the appreciating oil price.

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 increased significantly quarter-over-quarter, while the acquisition price has decreased. Unlike oil, it appears that buyer sentiment towards natural gas is not as bullish even though natural gas prices have been increasing.

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 second quarter of 2022 has allowed us to update our database and revise prior quarter statistics.

In the third quarter of 2021, Hawkley Oil & Gas Limited announced it had entered into a plan of arrangement to acquire Persist Oil & Gas Inc. for \$32.2 million which included a prospectus to raise \$12.0-\$15.0 million. As part of the arrangement, Hawkley changed its name to Lumira Energy Limited. In the first quarter of 2022, Lumira formally announced that Persist decided not to proceed with the merger and the prospectus was withdrawn.

Due to the transaction not proceeding we have removed it from our third quarter 2021 statistics. As a result, the median price paid for production increased from \$22,500/boe/d to \$22,995/boe/d and the median price paid for reserves decreased from \$1.85/boe to \$1.84/boe.

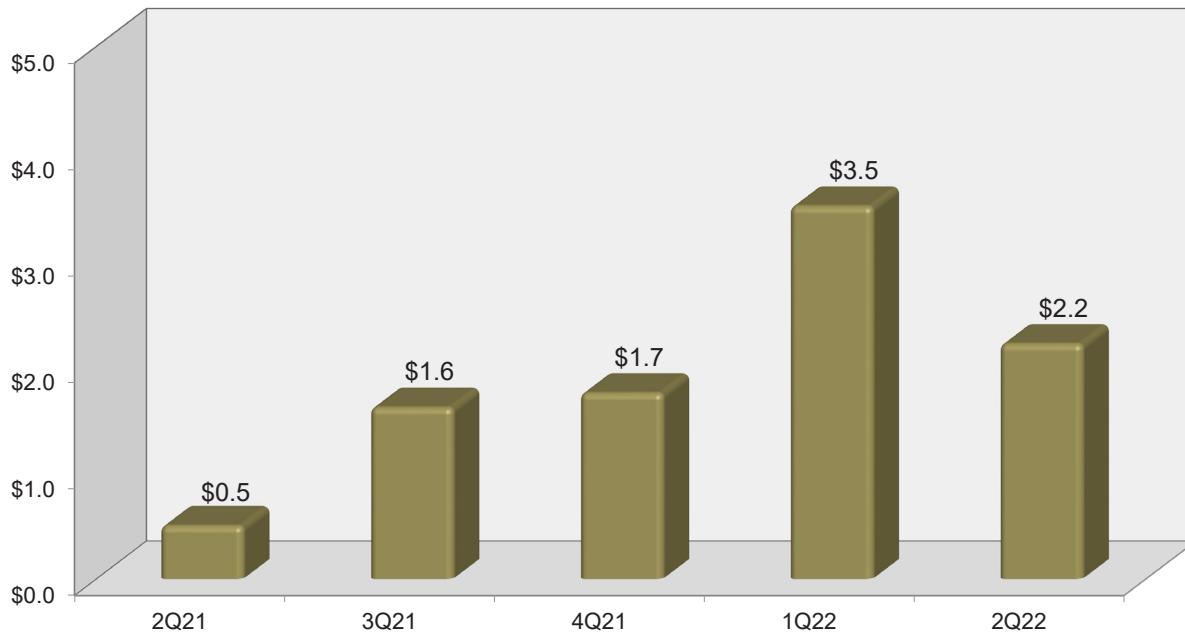
THIRD QUARTER 2022 MERGER AND ACQUISITION ACTIVITY

There have been two deals announced in the third quarter of 2022. On July 14, 2022, VAALCO Energy, Inc. and TransGlobe Energy Corporation announced that they have entered into a definitive arrangement agreement pursuant to which VAALCO will acquire all of the outstanding common shares of TransGlobe in a stock-for-stock strategic business combination transaction valued at USD \$307.0 million. TransGlobe's operations are located in Egypt as well as in the Harmattan area of Alberta. TransGlobe's production at Harmattan was 2,356 boe/d (67% oil and ngl) in the first quarter of 2022.

On July 15, 2022, Rising Star Resources Ltd. announced it has entered into an amalgamation agreement with Tourmaline Oil Corp., whereby Tourmaline has agreed to indirectly acquire all of the common shares of Rising Star for a total purchase price of approximately \$194.3 million. The acquisition will be paid by Tourmaline through the issuance of 6,000,000 freely tradeable common shares of Topaz Energy Corp. owned by Tourmaline with the remainder paid in cash. Rising Star's main producing properties are located in the Berwyn, Gordondale, Mirage, Tangent and Valhalla areas of Alberta. Rising Star's average production in the first quarter of 2022 was 6,383 boe/d (52% natural gas).

MERGER AND ACQUISITION CANDIDATES

Companies and Assets for Sale - \$Billions



The total value of companies and assets publicly for sale decreased to \$2.2 billion in the second quarter of 2022 from \$3.5 billion in the first quarter of 2022.

In the second quarter, West Lake Energy Corp. announced its intention to sell all of its oil and natural gas interests located in the Province of Saskatchewan. The producing properties are located in the Battle River, Cactus Lake, Celtic, Epping, Furness, Lashburn, Mervin, Pikes Peak, Silverdale and Tangleflags areas of Saskatchewan and the non-producing properties are located in the Ear Lake, Freemont, Macklin, Maidstone, Manitou, Marsden, Primate and Rush Lake areas of Saskatchewan. Production associated with the offering is 1,152 boe/d (98% oil and ngl's).

Surge Energy Inc. announced its intention to sell certain non-core assets located in various areas of Alberta and Saskatchewan. Production associated with the offering is 882 boe/d (57% oil and ngl's).

The "major assets for sale" category dropped 70% to approximately \$505.0 million in the second quarter from the \$1.7 billion recorded last quarter.

The "companies for sale" category decreased 6% to \$1.6 billion in the second quarter of 2022 from \$1.7 billion recorded in the first quarter of 2022. In the second quarter, Bearspaw Petroleum Ltd. entered into a corporate sale process. Bearspaw's main assets are located in the Crossfield, Drumheller, Fenn and Stettler areas of Alberta. Bearspaw's recent production is 2,154 boe/d (55% natural gas).

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 Allied (page 29), Amicus (page 29) and Rolling Hills (page 36) were sold or have received offers to purchase in the second quarter and had not previously publicly announced their intention to sell in advance.

MERGER AND ACQUISITION CANDIDATES

Companies with Major Assets for Sale

Bonavista Energy Corporation Enerplus Corporation

Total approximate value ⁽¹⁾ for major sellers **\$505.0 million**

Companies with Minor Assets for Sale

Aldon Oils Ltd.	Delta Petroleum Investments Limited	Richelhoff Resources Inc.
Ascensun Oil and Gas Ltd.	Kiwetinohk Energy Corp.	Signalta Resources Limited
Aspenleaf Energy Limited	Knowledge Energy Inc.	Sinopec Canada
Burgess Creek Exploration Inc.	MKS Investments Ltd.	Surge Energy Inc.
Calima Energy Limited	NuVista Energy Ltd.	Tallahassee Exploration Inc.
Cor4 Oil Corp.	Prairie Provident Resources Inc.	Tamarack Valley Energy Ltd.
CPE Pembina Lands Ltd.	Rally Canada Resources Ltd.	West Lake Energy Corp.

Total approximate value ⁽¹⁾ for minor sellers **\$75.7 million**

Companies for Sale

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

Bears paw Petroleum Ltd.	Copetrex Oil & Gas Co. Ltd. ⁽²⁾	Strategic Oil & Gas Ltd. ⁽²⁾
Blacksteel Energy Inc.	Drakkar Energy Ltd.	Woodrush Royalty ULC
Canadian Spirit Resources Inc.	Grandview Exploration Inc.	
CEC North Star Energy Ltd.	Ribbon Creek Resources Inc.	

Total approximate value ⁽¹⁾ for companies for sale **\$1.6 billion**

TOTAL APPROXIMATE VALUE ⁽¹⁾ FOR ALL M&A CANDIDATES **\$2.2 billion**

- 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.

FIRST QUARTER 2022 TRANSACTION ANALYSIS SUMMARY

Month	Purchaser	Acquisition	Enterprise Value ⁽¹⁾	Reserves Value ⁽¹⁾
			(\$million)	(\$million)
February	ROK	Federated Co-operatives assets	71.70	71.70
March	Journey	Tahoe	16.65	16.65
March	Vermilion	Leucrotta	528.79	454.87

Notes: (1) For definitions see page 41

FIRST QUARTER 2022 TRANSACTION ANALYSIS SUMMARY

Proven Producing Reserves Mix	Proven BOE Reserve Life Index ⁽¹⁾	Reserves ⁽¹⁾	Production ⁽¹⁾	Cash Flow Multiple ⁽¹⁾	Premium/(Discount) ⁽¹⁾ To Market Price ⁽¹⁾
(%oil/%natural gas)	(Res./Annualized Prod.)	(\$/boe)	(\$/boe/d)	Operating	%
78/22	7.8	5.29	24,207	1.8	-
41/59	20.9	2.39	26,760	2.2	-
21/79	19.3	9.19	158,944	12.6	68.0

SECOND QUARTER 2022 TRANSACTION ANALYSIS SUMMARY

Month	Purchaser	Acquisition	Enterprise Value ⁽¹⁾	Reserves Value ⁽¹⁾
			(\$million)	(\$million)
April	Tamarack Valley	Rolling Hills	94.09	94.09
May	Saturn	Crescent Point assets	260.00	255.96
June	Cenovus	BP assets	1,200.00 ⁽³⁾	1,200.00
June	Whitecap	XTO	1,880.00 ⁽³⁾	1,880.00

Notes: (1) For definitions see page 41
 (2) Based on proven plus probable reserves
 (3) Pending but not closed

SECOND QUARTER 2022 TRANSACTION ANALYSIS SUMMARY

Proven Producing Reserves Mix	Proven BOE Reserve Life Index ⁽¹⁾	Reserves ⁽¹⁾	Production ⁽¹⁾	Cash Flow Multiple ⁽¹⁾	Premium/(Discount) ⁽¹⁾ To Market Price ⁽¹⁾
(%oil/%natural gas)	(Res./Annualized Prod.)	(\$/boe)	(\$/boe/d)	Operating	%
100/0 ⁽²⁾	5.0 ⁽²⁾	24.76	44,804	1.4	-
96/4	6.7	18.99	60,263	1.7	-
100/0 ⁽²⁾	50.0 ⁽²⁾	2.63	48,000	-	-
28/72	19.4	4.17	52,500	3.3	-

SECOND QUARTER MERGER AND ACQUISITION TRANSACTIONS

(exceeding \$5 million in value)

Month	Purchaser	Acquisition	Enterprise Value
			(\$million)
April	Tamarack Valley	Rolling Hills	94.09
May	Astara	Glenogle	(1)
May	Astara	Amicus	(1)
May	Canadian Natural	BP assets	(1)
May	Paramount	Crescent Point assets	40.00
May	Saturn	Crescent Point assets	260.00
May	Suncor	Cenovus assets	50.00
June	Cenovus	BP assets	1,200.00 ⁽²⁾
June	Loyal	Black Crane	(1)
June	Undisclosed Buyer	Allied	(1)
June	Whitecap	XTO	1,880.00 ⁽²⁾
Second Quarter Total			\$4.2 billion⁽³⁾

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 SECOND 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.

Purchaser: Astara Energy Corp.	Acquisition: Amicus Petroleum Inc.
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Transaction Type:	Corporate	Date Announced:	Second Quarter 2022
Price:	Undisclosed	Date Closed:	May 2022

Astara acquired privately-held Amicus in the second quarter. Amicus' total production was 1,300 boe/d (85% oil and ngl's). Amicus' main producing properties were located in the Herronton, Drumheller and Valhalla areas of Alberta. Amicus was formed in the fourth quarter of 2020 through the amalgamation of Tyrannex Energy Ltd. and Tempus Energy Ltd. which were both portfolio companies of Annapolis Capital Limited.

Purchaser: Astara Energy Corp.	Acquisition: Glenogle Energy Inc.
---------------------------------------	--

Transaction Type:	Corporate	Date Announced:	May 2, 2022
Price:	Undisclosed	Date Closed:	May 19, 2022

Astara acquired all of the issued and outstanding shares of Glenogle under a reverse vesting order through Glenogle's Companies Creditors' Arrangement Act process. Glenogle's main producing properties were located in the Doe and Sinclair areas of Alberta with total production of 1,200 boe/d.

Purchaser: Canadian Natural Resources Limited	Acquisition: BP plc assets
--	-----------------------------------

Transaction Type:	Property	Date Announced:	May 5, 2022
Price:	Undisclosed	Date Closed:	First Quarter 2022

The assets acquired are the remaining 50% working interest in the Pike lands south of Canadian Natural's oil sands projects at Jackfish and Kirby South. This was one of two dispositions announced by BP in the quarter as it also announced the sale of its remaining 50% working interest in the Sunrise oil sands project in northern Alberta to Cenovus for \$1.2 billion (page 32).

Purchaser: Loyal Energy (Canada) Operating Ltd.	Acquisition: Black Crane Energy Corp.
--	--

Transaction Type:	Corporate	Date Announced:	Second Quarter 2022
Price:	Undisclosed	Date Closed:	June 16, 2022

Black Crane's oil and natural gas assets were located in the Irricana and Chigwell areas of central Alberta. Black Crane's production was 195 boe/d (47% oil and liquids).

SELECTED SECOND QUARTER TRANSACTIONS

Purchaser: Paramount Resources Ltd.	Acquisition: Crescent Point Energy Corp. assets
--	--

Transaction Type:	Property	Date Announced:	May 4, 2022
Price:	\$40.0 million	Date Closed:	April 1, 2022

Paramount acquired certain of Crescent Point's assets in the Willesden Green area of Alberta. Paramount estimates 200 Duvernay drilling locations to be added with the acquisition. Production from the property at the time of the acquisition was 1,300 boe/d (49% liquids).

Purchaser: Suncor Energy Inc.	Acquisition: Cenovus Energy Inc. assets
--------------------------------------	--

Transaction Type:	Property	Date Announced:	September 8, 2021
Price:	\$50.0 million	Date Closed:	May 31, 2022

Concurrent with the decision to restart the West White Rose project by the joint venture owners, Suncor has increased its interest in the White Rose asset to approximately 40.0% from 27.5% and in the West White Rose project to 38.6% from 26.1%. Suncor will assume capital commitments on the 12.5% additional interest on a go-forward basis only. The White Rose asset joint venture owners are Cenovus (operator) and Suncor. The West White Rose Project joint venture owners are Cenovus (operator), Suncor and Nalcor Energy - Oil and Gas Inc.

Purchaser: Undisclosed Buyer	Acquisition: Allied Energy Corporation
-------------------------------------	---

Transaction Type:	Corporate	Date Announced:	Second Quarter 2022
Price:	Undisclosed	Date Closed:	Second Quarter 2022

Allied's main producing properties were located in the Halo, Hume and Tatagwa areas of Saskatchewan. Allied held approximately 58,720 gross acres (44,560 net acres) of land with production of 3,930 bbl/d (100% oil) targeting primarily the Midale Formation.

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CENOVUS / BP ASSETS

Purchaser: Cenovus Energy Inc.
 Date Announced: June 13, 2022
 Transaction Type: Property
 Reserves Acquisition Price: **\$2.63/boe**

Acquisition: BP plc assets
 Date Completed: Pending
 Operating CF Multiple: **N.A.**
 Production Acquisition Price: **\$48,000/boe/d**

<u>Estimated Value:</u>	<u>\$MM</u>
Enterprise Value	\$1,200.00 ⁽¹⁾
less: Undeveloped land	-
Other assets	-
Value of Reserves	<u>\$1,200.00</u>

Reserves:

	<u>Oil & NGL</u>	<u>Natural Gas</u>	<u>Total</u>
	(MMbbls)	(Bcf)	(MMboe)
Total P+P	<u>456.250</u>	<u>0.000</u>	<u>456.250</u>

Source of reserves estimate: Cenovus Energy Inc.
 Effective date of reserves information: May 1, 2022

<u>RLI:</u>	<u>Total P+P (years)</u>	<u>Reserve Weighting:</u>	<u>Oil & NGL (%)</u>	<u>Natural Gas (%)</u>
Oil & NGL	50.0	P+P	100	0
Natural Gas	-			
BOE	50.0			

Daily Production:

Oil & NGL: 25,000 bbls/d
 Natural Gas: - MMcf/d
BOE: 25,000 boe/d

Basis of production information: Current production as at June 13, 2022

CENOVUS / BP ASSETS

Undeveloped Land: N.A.

Operating Cash Flow Estimate: N.A.

Operating Cash Flow Multiple: N.A.

Notes:

- 1) Consists of a cash payment of \$600.0 million, a variable payment of up to \$600.0 million and Cenovus' 35% working interest in the undeveloped Bay du Nord project offshore Newfoundland and Labrador. For the calculation of the purchase price, the total variable payment amount of \$600.0 million was included but no value was assigned to Cenovus' interest in the Bay du Nord project.

Comments:

The asset being acquired is the remaining 50% working interest in the Sunrise oil sands project in northern Alberta. Cenovus currently operates Sunrise and owns 50% of the asset through the Sunrise Oil Sands Partnership, with BP. The variable payment amount is calculated quarterly based on a payment of \$2.8 million for every dollar the WCS benchmark exceeds \$52.00/bbl. This variable payment expires after two years even if the maximum amount of \$600.0 million is not reached.

Date of Analysis: July 20, 2022

SATURN / CRESCENT POINT ASSETS

Purchaser: Saturn Oil & Gas Inc.
 Date Announced: May 31, 2022
 Transaction Type: Property
 Reserves Acquisition Price: **\$18.99/boe**

Acquisition: Crescent Point Energy Corp. assets
 Date Completed: July 6, 2022
 Operating CF Multiple: **1.7 X**
 Production Acquisition Price: **\$60,263/boe/d**

<u>Estimated Value:</u>	<u>\$MM</u>
Enterprise Value	\$260.00
less: Undeveloped land	-4.04
Other assets	-
Value of Reserves	<u>\$255.96</u>

Reserves:

Net Present Value of Reserves (\$MM):

	<u>Oil & NGL</u> (MMbbbls)	<u>Natural Gas</u> (Bcf)	<u>Total</u> (MMboe)	<u>Discounted</u>				
				<u>0%</u>	<u>5%</u>	<u>10%</u>	<u>15%</u>	<u>20%</u>
Proven Producing	6.800	1.537	7.056	273.61	257.18	234.38	213.95	196.92
Undeveloped	<u>3.306</u>	<u>0.000</u>	<u>3.306</u>	<u>85.29</u>	<u>61.18</u>	<u>43.59</u>	<u>30.88</u>	<u>21.59</u>
Total Proven	10.107	1.537	10.363	358.90	318.36	277.97	244.83	218.51
Probable	<u>3.060</u>	<u>0.327</u>	<u>3.115</u>	<u>150.57</u>	<u>101.78</u>	<u>71.79</u>	<u>53.61</u>	<u>42.02</u>
Total P+P	<u>13.167</u>	<u>1.864</u>	<u>13.477</u>	<u>509.47</u>	<u>420.14</u>	<u>349.77</u>	<u>298.44</u>	<u>260.53</u>

Source of reserves estimate:

McDaniel & Associates Consultants Ltd.

Effective date of reserves information:

January 1, 2022

<u>RLI:</u>	<u>Proven Producing</u> (years)	<u>Total Proven</u> (years)	<u>Total P+P</u> (years)	<u>Reserve Weighting:</u>	<u>Oil & NGL</u> (%)	<u>Natural Gas</u> (%)
Oil & NGL	4.5	6.7	8.7	Proven Producing	96	4
Natural Gas	6.2	6.2	7.5	Proven	98	2
BOE	4.6	6.7	8.7	P+P	98	2

Daily Production:

Oil & NGL: 4,134 bbls/d
 Natural Gas: 0.68 MMcf/d
BOE: 4,247 boe/d

Basis of production information: Current production as at May 14, 2022

SATURN / CRESCENT POINT ASSETS

Undeveloped Land:

Total net acres:	40,409
Estimated value	\$4.04 million
Unit value	\$100.00/net acre

Source of land value estimate: Sayer Energy Advisors

Operating Cash Flow Estimate: \$151.58 million per year

Basis of cash flow estimate: Based on actual operating cash flow from the assets for the three months ended March 31, 2022, annualized.

Operating Cash Flow Multiple: 1.7 X

Price Assumptions Used in Evaluation:

Estimated Future Capital Costs (\$MM):

	<u>Edmonton Par Price 40° API (\$C/bbl)</u>	<u>AECO Natural Gas Price (\$C/MMbtu)</u>		
2022	86.82	3.56	2022	28.55
2023	80.73	3.21	2023	36.65
2024	78.01	3.05	2024	33.79
2025	79.57	3.11	Thereafter	<u>39.18</u>
2026	81.16	3.17	Total	<u>138.16</u>

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

Comments:

The acquired assets are located in the Kindersley, Herschel and Plato areas of southwestern Saskatchewan. With this transaction, Saturn is forecasting its average daily production in 2022 to increase to 10,050 boe/d (96% oil and ngls).

The acquisition was funded through an increase of \$200.0 million to Saturn's existing senior secured term loan and a bought deal equity financing through the issuance of a total of 27,181,860 units at a price of \$2.75 per unit for gross proceeds of approximately \$74.8 million. Each unit consisted of one common share of Saturn and one-half of one common share purchase warrant of Saturn. Each full warrant will be exercisable into one common share of Saturn until July 7, 2023 at an exercise price of \$3.20, subject to adjustment in certain events.

Date of Analysis: July 20, 2022

TAMARACK VALLEY / ROLLING HILLS

Purchaser: Tamarack Valley Energy Ltd.
 Date Announced: April 21, 2022
 Transaction Type: Corporate
 Reserves Acquisition Price: **\$24.76/boe**

Acquisition: Rolling Hills Energy Ltd.
 Date Completed: June 10, 2022
 Operating CF Multiple: **1.4 X**
 Production Acquisition Price: **\$44,804/boe/d**

Estimated Value:

	<u>\$MM</u>			<u>\$MM</u>
Equity Value	\$94.09 ⁽¹⁾		Enterprise Value	\$94.09
plus: Long term debt	-		less: Undeveloped land	-
Working capital deficit	-		Working capital surplus	-
Other liabilities	-		Other assets	-
Enterprise Value	<u>\$94.09</u>		Value of Reserves	<u>\$94.09</u>

Reserves:

	<u>Oil & NGL</u>	<u>Natural Gas</u>	<u>Total</u>
	(MMbbbls)	(Bcf)	(MMboe)
Total P+P	<u>3.800</u>	<u>0.000</u>	<u>3.800</u>

Source of reserves estimate:

Tamarack Valley Energy Ltd.

Effective date of reserves information:

June 1, 2022

<u>RLI:</u>	<u>Total P+P (years)</u>		<u>Reserve Weighting:</u>	<u>Oil & NGL (%)</u>	<u>Natural Gas (%)</u>
Oil & NGL	5.0		P+P	100	0
Natural Gas	-				
BOE	5.0				

Daily Production:

Oil & NGL: 2,100 bbls/d
 Natural Gas: - MMcf/d
BOE: 2,100 boe/d

Basis of production information: Forecast production for the year ended December 31, 2022

TAMARACK VALLEY / ROLLING HILLS

Undeveloped Land: N.A.

Operating Cash Flow Estimate: \$65.00 million per year

Basis of cash flow estimate: Based on Tamarack Valley's forecast of Rolling Hills' operating cash flow for the seven months ended December 31, 2022 before interest, overhead and current income tax.

Operating Cash Flow Multiple: 1.4 X

Break Fee:

Size (millions)	\$5.00
As percentage of equity value	5.3%
As percentage of enterprise value	5.3%

Notes:

- 1) Based on a cash payment of \$46.5 million and the issuance of 9,276,623 Tamarack Valley shares, with each Tamarack Valley share priced at \$5.13 on the last trading day prior to the announcement of the transaction.

Comments:

The acquisition consolidates Tamarack Valley's working interest and operatorship to 100% in the greater Jarvie play in the southern Clearwater area of Alberta. The acquisition adds 70 gross (54 net) drilling locations across 1/3 of the 34,506 net acres acquired.

In conjunction with the acquisition, Tamarack Valley also increased its dividend by 20% to \$0.01 per month. Concurrent with the acquisition, Tamarack Valley announced an extension and increase of its sustainability linked revolving credit facility to \$650.0 million.

As part of the transaction, shareholders of Rolling Hills received 0.387 of one common share of a newly created Clearwater growth focused company named Clear North Energy Corp. Clear North will operate as a private company and will be led by former members of the Rolling Hills management team. Clear North retained certain Rolling Hills' Clearwater lands totaling approximately 193,000 net acres and estimated production of 700 bbl/d of oil.

In the first quarter of 2022, Rolling Hills sold its light oil production in the Viking and Sparky formations in Alberta and Saskatchewan, and related undeveloped land to Astar for \$95.0 million.

Date of Analysis: July 5, 2022

WHITECAP / XTO

Purchaser: Whitecap Resources Inc.
 Date Announced: June 28, 2022
 Transaction Type: Corporate
 Reserves Acquisition Price: **\$4.17/boe**

Acquisition: XTO Energy Canada
 Date Completed: Pending
 Operating CF Multiple: **3.3 X**
 Production Acquisition Price: **\$52,500/boe/d**

<u>Estimated Value:</u>	<u>\$MM</u>		<u>\$MM</u>
Equity Value	\$1,880.00 ⁽¹⁾	Enterprise Value	\$1,880.00
plus: Long term debt	-	less: Undeveloped land	-
Working capital deficit	-	Working capital surplus	-200.00 ⁽²⁾
Other liabilities	-	Other assets	-
Enterprise Value	<u>\$1,880.00</u>	Value of Reserves	<u>\$1,680.00</u>

Reserves:

Net Present Value of Reserves (\$MM):

	<u>Oil & NGL</u>	<u>Natural Gas</u>	<u>Total</u>	<u>Discounted</u>
	(MMbbls)	(Bcf)	(MMboe)	10%
Proven Producing	13.900	214.900	49.717	822.00
Undeveloped	<u>64.200</u>	<u>672.700</u>	<u>176.317</u>	<u>1,630.00</u>
Total Proven	78.100	887.600	226.033	2,452.00
Probable	<u>61.400</u>	<u>694.700</u>	<u>177.183</u>	<u>1,377.00</u>
Total P+P	<u>139.500</u>	<u>1,582.300</u>	<u>403.217</u>	<u>3,829.00</u>

Source of reserves estimate:

McDaniel & Associates Consultants Ltd.

Effective date of reserves information:

May 1, 2022

<u>RLI:</u>	<u>Proven Producing</u>	<u>Total Proven</u>	<u>Total P+P</u>	<u>Reserve Weighting:</u>	<u>Oil & NGL</u>	<u>Natural Gas</u>
	(years)	(years)	(years)		(%)	(%)
Oil & NGL	3.9	21.8	39.0	Proven Producing	28	72
Natural Gas	4.4	18.3	32.5	Proven	35	65
BOE	4.3	19.4	34.5	P+P	35	65

Daily Production:

Oil & NGL: 9,800 bbls/d

Natural Gas: 133.20 MMcf/d

BOE: 32,000 boe/d

Basis of production information: Forecast production for the quarter ended December 31, 2022

WHITECAP / XTO

Undeveloped Land: N.A.

Operating Cash Flow Estimate: \$509.01 million per year

Basis of cash flow estimate: Based on Whitecap's forecast of XTO's operating cash flow for the year ended December 31, 2023 before interest, overhead and current income tax.

Operating Cash Flow Multiple: 3.3 X

Price Assumptions Used in Evaluation:

	Edmonton Par Price 40° API (\$C/bbl)	AECO Natural Gas Price (\$C/MMbtu)
2022	115.42	5.18
2023	100.90	4.17
2024	88.81	3.38
2025	87.49	3.34
2026	89.25	3.41

Effective date of pricing: Average of GLJ Ltd., McDaniel and Sproule Associates Limited's price forecast as at April 1, 2022

Notes:

- 1) Based on a cash payment of \$940.0 million to each of XTO's joint owners, Imperial Oil Limited and ExxonMobil Canada.
- 2) Includes estimated positive working capital on closing.

Comments:

Whitecap entered into an agreement to acquire XTO Energy Canada, which is jointly owned by Imperial Oil and ExxonMobil Canada. XTO's assets consist of Montney and Duvernay interests. Production associated with the acquisition includes approximately 11,000 boe/d from the Montney Formation and 21,000 boe/d from the Duvernay Formation.

The acquisition adds 672,000 (639,000 net) acres of Montney and Duvernay lands and includes 1,910 net drilling locations consisting of 217 Duvernay locations and 1,693 Montney locations. The Montney assets consolidate Whitecap's working interests at Kakwa and the Duvernay assets represent Whitecap's entry into the Duvernay play and includes a 100% working interest in a shallow cut natural gas processing facility.


Whitecap is funding the acquisition through existing credit facilities and a new committed four-year term loan.

Concurrent with the acquisition, Whitecap announced a 22% increase to its monthly dividend to \$0.0367 per share.

Date of Analysis: July 18, 2022
Date of Financial Information: December 31, 2021


Recent Transactions Completed by Sayer Energy Advisors

This announcement appears as a matter of record only.



has sold all of its oil & natural gas interests to
TENTH AVENUE PETROLEUM CORP.
for
\$2.5 million

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



April 2022

This announcement appears as a matter of record only.




has sold its interests in the Niton, Pembina and Wainwright areas of Alberta

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




April 2022

This announcement appears as a matter of record only.



has sold its interests in the Rosebank area of Saskatchewan

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



April 2022

This announcement appears as a matter of record only.

Certain oil and natural gas interests held by



have been sold through its receiver




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




April 2022

This announcement appears as a matter of record only.



has sold its interests in the Leduc area of Alberta


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




May 2022

This announcement appears as a matter of record only.


Certain oil and natural gas interests in Alberta held by



have been sold through its receiver




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




May 2022

This announcement appears as a matter of record only.



has sold certain Fee Title interests in the Westlock area of Alberta

The undersigned acted as financial advisor to the Edmonton Community Foundation for this transaction.




June 2022

This announcement appears as a matter of record only.

CHAIR RESOURCES INC.

has sold its interests in the Fontas, Hangingstone/Portage, Lloydminster, Nipisi & Swan Hills areas of Alberta

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



July 2022

This announcement appears as a matter of record only.

Certain oil and natural gas interests held by



have been sold through its receiver



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



July 2022

NOTES

1. Definitions:
 - a. $\$/\text{boe}$: 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. $\$/\text{boe}/\text{d}$: 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 $\$/\text{boe}$ 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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