

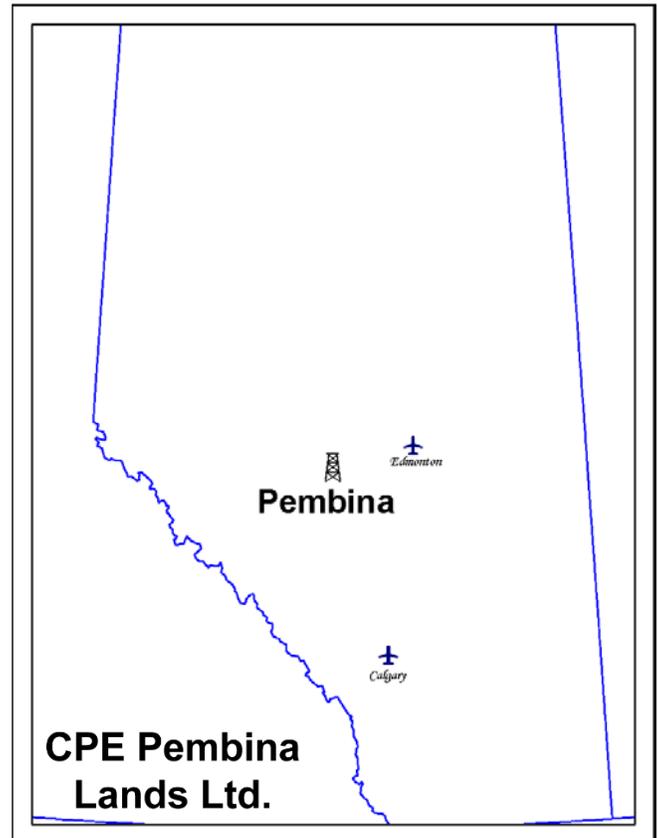
**Nisku Drilling Prospect:
Pembina, Alberta**

**CPE Pembina
Lands Ltd.**

CPE Pembina Lands Ltd. (“CPE” or the “Company”) has engaged Sayer Energy Advisors to assist the Company with the sale or farmout of its 100% interest in a Nisku prospect in the *Pembina* area of Alberta (the “Property”). The Property is prospective for oil and natural gas production from the Nisku Formation (the “Nisku Prospect”).

CPE holds a 100% working interests in the P&NG rights in the Nisku Formation in nine sections of Crown land in the *Pembina* area of Alberta. The rights include a four-year license in Sections 1 and 2-050-07W5 and Sections 34, 35 and 36-049-07W5 with a primary term expiring April 4, 2023 unless otherwise continued under section 8(1)(h) extensions.

The principal seismic anomalies of the Nisku Prospect are covered by this license. Additionally, the Company holds a 100% working interest in the P&NG rights in the Nisku Formation in Sections 20 and 29-049-7W5 with the primary term expiring in 2026. CPE also holds the P&NG rights in Sections 6 and 7-050-06W5, subject to a 2% gross overriding royalty payable to **Teine Energy Ltd.**



PROCESS & TIMELINE

Sayer Energy Advisors is accepting proposals relating to this process until **12:00 pm on Thursday June 16, 2022.**

Timeline		
Week of May 9, 2022		Preliminary Information Distributed
Week of May 16, 2022		Data Room Opens
June 16, 2022	12:00 noon	Bid Deadline
July 1, 2022		Effective Date
July 2022		Closing Date

Sayer Energy Advisors does not conduct a “second-round” bidding process; the intention is to attempt to conclude a transaction(s) with the party(ies) submitting the most acceptable proposal(s) at the conclusion of the process.

Sayer Energy Advisors is accepting proposals from interested parties until noon on Thursday, June 16, 2022.



Pembina Property

The Nisku Prospect has been defined by seismic anomalies which have been identified by two 3D seismic programs shot during the period 2004-2005, one by **West Energy Ltd.** and one by **Highpine Oil & Gas Limited.** Both West Energy and Highpine are predecessor companies to **Sinopec Energy Canada Ltd.**

A copy of the 3D seismic which was acquired by **Bashaw Oil Corporation** from Sinopec was used for the basis of the exploration play, following which, Bashaw merged with **Clearview Resources Ltd.** Management presentations relating to the Property, including a review of the interpretations of the 3D seismic data will be made available to parties that execute a confidentiality agreement.

The Property includes drilling locations for three exploratory Nisku wells, (one of which will be converted to a Nisku water injection well) and one Wabamun water source well.

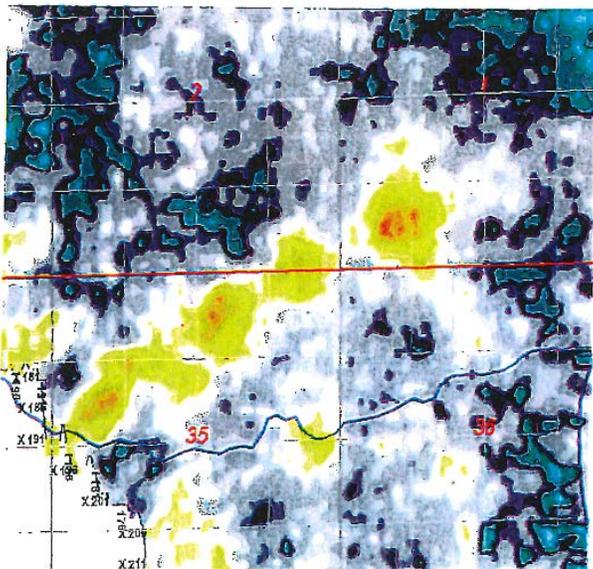
Further information relating to the Property will be available in the virtual data room for parties that execute a confidentiality agreement.

Nisku Prospect

The Nisku Formation at *Pembina* was deposited as a reef complex within the Late Devonian resulting in a reservoir that is highly permeable with a net pay zone of approximately 15-25 metres in thickness. The Nisku trends southwest to northeast from Township 45 Range 23 W5 to Township 51 Range 4 W5.

Below is a graphic depiction of the reef structure provided publicly by West Energy to the Rocky Rapids residents in a January 19, 2005 presentation as part of its application for drilling licences on the Nisku Prospect. The full presentation will be available in the data room for parties that execute a confidentiality agreement.

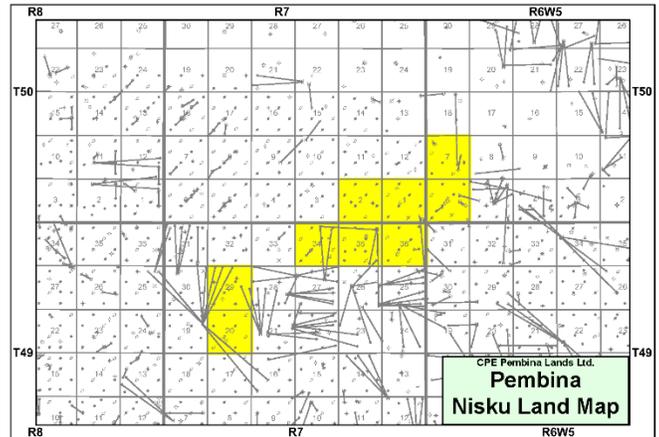
Nisku Reef Structure – Image from West Energy’s Rocky Rapids Open House



The Nisku Prospect is defined by a seismic anomaly which was originally delineated in 2004 by West Energy. Based upon the information provided to the Company by West Energy and Bashaw, the Nisku anomalies are primarily located in Section 35-049-07W5 and Section 01-050-07W5. Three Nisku drilling locations had been identified at 12-35-049-07W5, 15-35-049-07W5 and 04-01-050-07W5. The 12-35 well would subsequently be converted into a water injection well. All three Nisku wells would be drilled from one drilling pad located in Section 35-049-07W5.

In addition, West Energy had delineated and made applications for drilling licenses on the lands in Section 06-050-07W5 and Section 07-050-07W5 with bottomhole locations at 11-6 and 1-7. The copy of the 3D seismic purchased by Bashaw from Sinopec for the purposes of developing the main prospect did not fully cover these lands.

Township 49-50, Range 6-7 W5





The Company's lands in Sections 20 and 29-049-07W5 have also been delineated by the 3D seismic programs. Although the Company believes these lands to be highly prospective based upon the 3D seismic, these lands are significantly closer to the town of Drayton Valley.

Hydrocarbons present in the Nisku reservoir at *Pembina* are expected to be 38° - 40° API light oil with a possible natural gas cap containing 22% H₂S by volume. The Crossfire wells *GRL Pembina 100/09-05-050-06W5/0* and *GRL 103 PEMBINA 103/14-05-050-06W5/0* located two miles to the east in the Crossfire L2L Pool produced oil from the Nisku Formation at a gross combined peak production rate of approximately 1,860 boe/d in August 2015. In March 2020 gross production was a combined 700 boe/d before being suspended in April 2020.

Nisku Pool History

Several companies have previously pursued the Nisku Prospect, including Bashaw and Sinopec (formerly **Daylight Energy Ltd.**, Highpine and West Energy). The Nisku Prospect has been the subject of two regulatory hearings, both of which cost the respective applicants in excess of \$1,000,000 in legal and expert representation. In the decisions of both the **Alberta Energy Utilities Board** ("AEUB") and the **Alberta Energy Regulator** ("AER"), the primary issue was the provision of the building of a Secondary Egress road for residents in the area (the "Secondary Egress"). CPE believes that it has resolved the critical issue of the Secondary Egress.

A comprehensive description of the Nisku pool history and the solution to the Secondary Egress issue are available on our website at www.sayeradvisors.com.

Pembina Reserves

CPE prepared an internal reserves evaluation of the Nisku Prospect effective December 31, 2021 using GLJ Ltd.'s January 1, 2022 forecast pricing (the "Reserve Report").

CPE estimated that, as of December 31, 2021, the Property contained remaining proved plus probable reserves of 4.1 million barrels of oil and natural gas liquids and 3.4 Bcf of natural gas (4.7 million boe) with a net present value of \$57.0 million using forecast pricing at a 10% discount.

	CPE Pembina Lands Ltd. as at December 31, 2021							
	COMPANY GROSS RESERVES				PV BEFORE TAX			
	Oil	Natural Gas	Ngl	Total	5%	10%	15%	
Mbbl	MMcf	Mbbl	MBOE		(000s)			
Proved Developed Producing	0	0	0	0	\$0	\$0	\$0	
Proved Non-Producing/Undeveloped	3,000	2,520	134	3,554	\$58,920	\$41,462	\$29,594	
Total Proved	3,000	2,520	134	3,554	\$58,920	\$41,462	\$29,594	
Probable	1,000	840	45	1,185	\$24,042	\$15,489	\$10,490	
Total Proved Plus Probable	4,000	3,360	178	4,738	\$82,961	\$56,951	\$40,084	

Values in the "Total" row may not correspond to the total of the values presented due to rounding.

Future Regulatory Approval

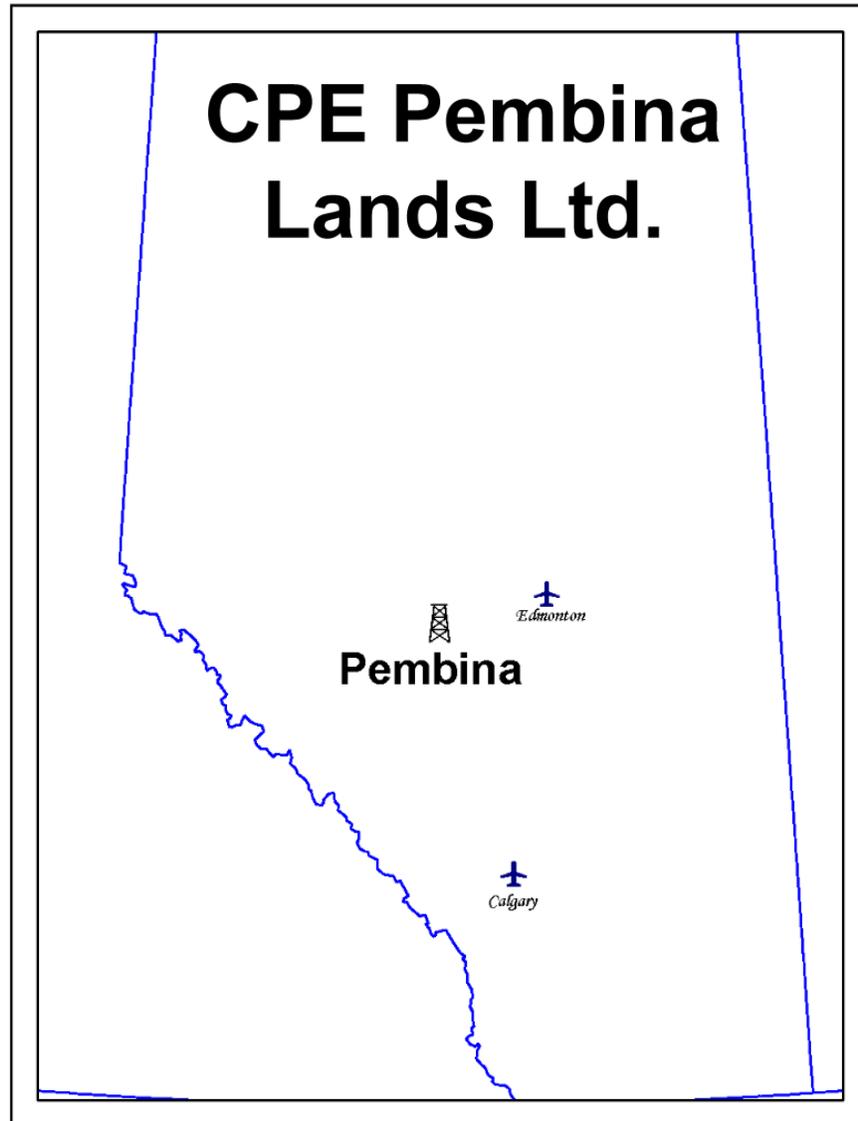
CPE believes that in order for a third application to the AER to be successful the following matters would need to be addressed: Secondary Egress; provision of a monetary benefit to the residents of Rocky Rapids; and proper consultation with the Rocky Rapids residents prior to making an application to the AER for drilling licences for the Nisku wells.

Additional details regarding the Company's strategy are also available on our website at www.sayeradvisors.com.





CPE Pembina Lands Ltd. Nisku Drilling Prospect Spring 2022



Parties wishing to receive access to the confidential information with detailed technical information relating to this opportunity should execute the confidentiality agreement which is available on Sayer Energy Advisors' website (www.sayeradvisors.com) and return one copy to Sayer Energy Advisors by courier, email (brye@sayeradvisors.com) or fax (403.266.4467).

Included in the confidential information is the following: summary land information, and other relevant technical information.

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

