



## Overview

**Sayer Energy Advisors** has been engaged to assist **Ascensun Oil and Gas Ltd.** (“Ascensun” or the “Company”) with the sale of its oil and natural gas interests located in the *Grand Forks*, *Leduc* and *Southern Alberta Minor* areas of Alberta (the “Properties”).

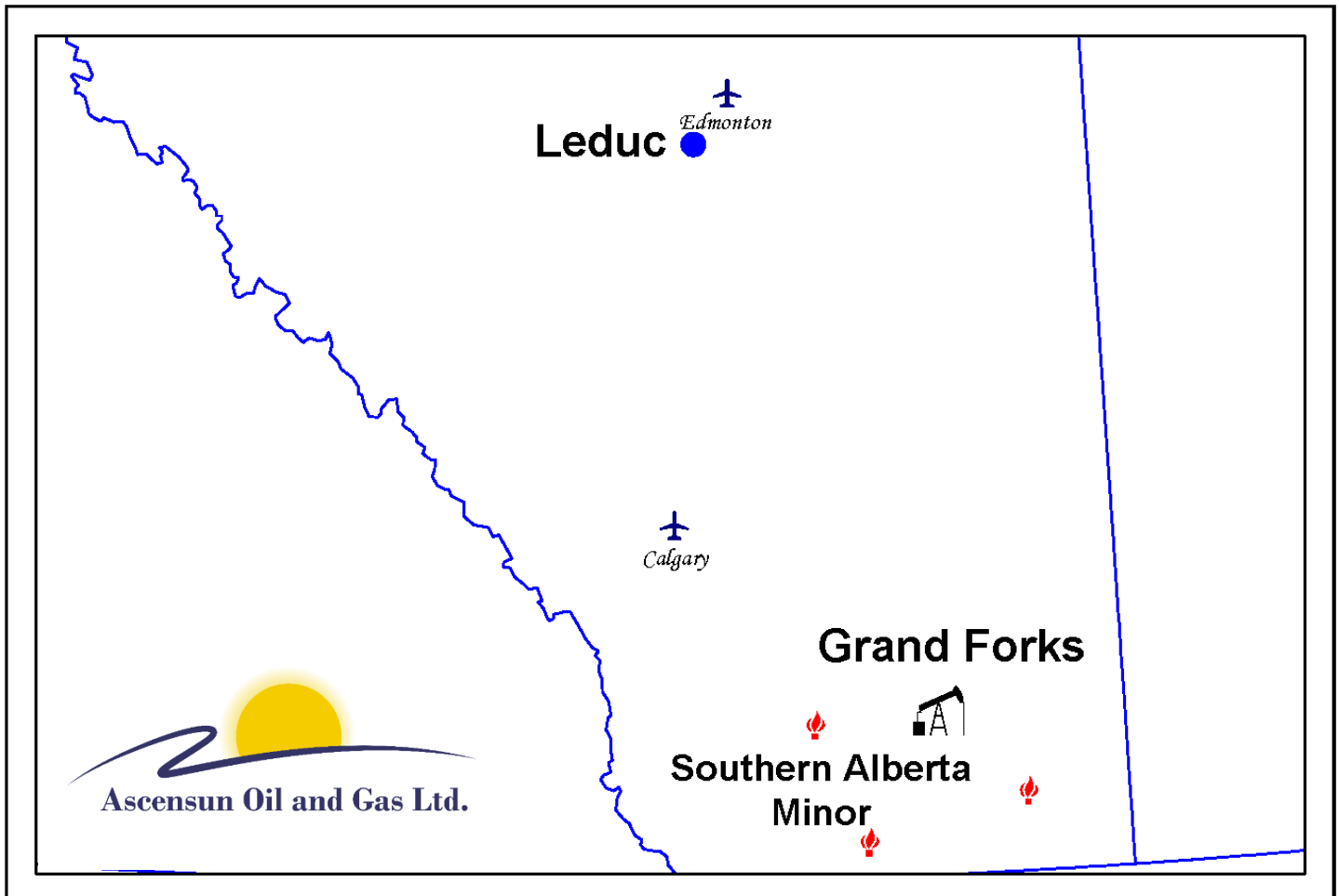
The Company’s low decline oil production is from the *Grand Forks* area, where Ascensun holds mainly 100% working interests in several oil pools producing from the Glauconitic Sandstone, Sawtooth, Lower Mannville and Sunburst formations.

Average daily production net to Ascensun from the Properties for November 2021 was approximately 185 barrels of oil and natural gas liquids per day and trace volumes of natural gas (185 boe/d).

Net operating income from the Properties for November 2021 was approximately \$152,000 or \$1.8 million on an annualized basis.

The Company’s preference would be to sell the Properties in one transaction with the exception of the *Leduc* property, which could be sold separately.

### Overview Map Showing Location of the Divestiture Properties





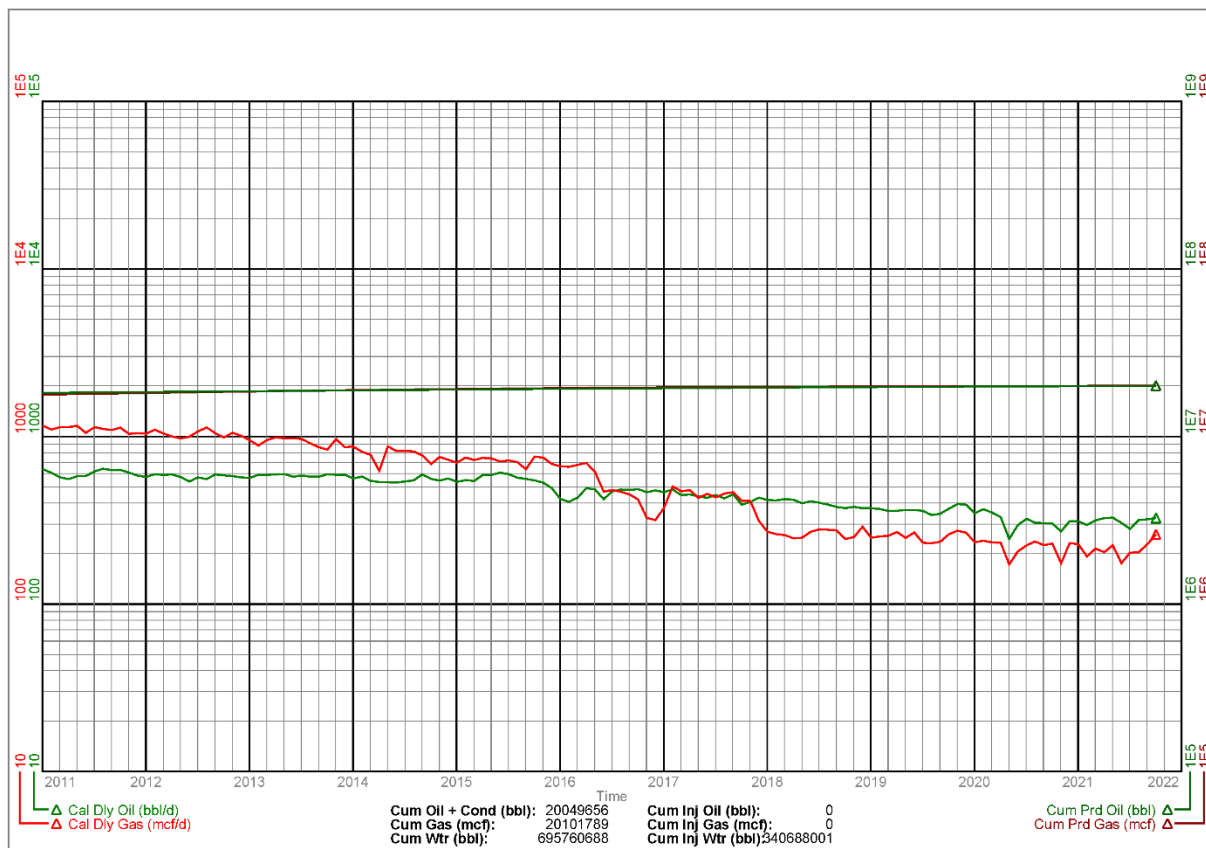
## Production Overview

Average daily production net to Ascensun from the Properties for November 2021 was approximately 185 barrels of oil and natural gas liquids per day and minor volumes of natural gas (185 boe/d) as outlined below.

Net operating income from the Properties for November 2021 was approximately \$152,000 or \$1.8 million on an annualized basis.

PROPERTY	NOVEMBER 2021 NET PRODUCTION (Average Daily)				NOI
	Oil	Ngli	Nat. Gas	Total	Nov. 2021
	bbl/d	bbl/d	Mcf/d	boe/d	Annualized
Grand Forks	185	-	2	185	\$1,824,000
Southern Alberta Minor	-	-	-	-	-
Leduc	-	-	-	-	-
<b>TOTAL</b>	<b>185</b>	<b>-</b>	<b>2</b>	<b>185</b>	<b>\$1,824,000</b>

## Gross Production Group Plot of Ascensun's Oil and Natural Gas Wells





## LMR Summary

As of January 1, 2022, Ascensun's net deemed asset value for the Properties was (\$2.2 million) (deemed assets of \$7.6 million and deemed liabilities of \$9.9 million), with an LMR ratio of 0.77.

The LMR for each of the Properties as of January 1, 2022 is summarized below.

### Summary of LMR by Property

PROPERTY	Deemed Assets	Deemed Liabilities	Net Deemed Assets	LMR
Grand Forks	\$7,632,865	\$9,045,245	(\$1,412,380)	0.84
Southern Alberta Minor	\$0	\$804,922	(\$804,922)	0.00
Leduc	-	-	-	-
<b>TOTAL OFFERING</b>	<b>\$7,632,865</b>	<b>\$9,850,167</b>	<b>(\$2,217,302)</b>	<b>0.77</b>

The stated LMR numbers do not include a \$2.4 million security deposit with the **Alberta Energy Regulator** ("AER").

## Reserves Overview

*Trimble Engineering Associates Ltd.* ("Trimble") prepared an independent reserves evaluation of the Properties as part of the Company's year-end evaluation (the "Trimble Report"). The Trimble Report is effective December 31, 2020 using Trimble's January 1, 2021 forecast pricing.

Trimble estimates that, as of December 31, 2020, the Properties contained remaining proved plus probable reserves of 3.2 million barrels of oil and natural gas liquids and 1.2 Bcf of natural gas (3.4 million boe), with an estimated net present value of \$27.5 million using forecast pricing at a 10% discount.

	Trimble Engineering Associates Ltd. as of December 31, 2020						
	COMPANY GROSS RESERVES				PV BEFORE TAX		
	Oil	Natural Gas	Ngl	Total	5%	10%	15%
	Mbbl	MMcf	Mbbl	MBOE		(000s)	
<b>Proved Developed Producing</b>	<b>252</b>	<b>0</b>	<b>0</b>	<b>252</b>	<b>\$1,841</b>	<b>\$2,098</b>	<b>\$2,001</b>
Proved Non-Producing/Undeveloped	808	213	15	858	\$6,368	\$4,744	\$3,508
<b>Total Proved</b>	<b>1,059</b>	<b>213</b>	<b>15</b>	<b>1,110</b>	<b>\$8,209</b>	<b>\$6,842</b>	<b>\$5,508</b>
Probable	2,047	1,012	71	2,286	\$28,323	\$20,696	\$15,414
<b>Total Proved Plus Probable</b>	<b>3,106</b>	<b>1,225</b>	<b>86</b>	<b>3,396</b>	<b>\$36,532</b>	<b>\$27,538</b>	<b>\$20,922</b>

The reserve estimates and forecasts of production and revenues for the Company's properties were prepared within the context of the Company's year-end evaluation, which was an evaluation of all of the Company's properties in aggregate. Extraction and use of any individual property evaluation outside of this context may not be appropriate without supplementary due diligence. Values in the "Total" row may not correspond to the total of the values presented due to rounding.





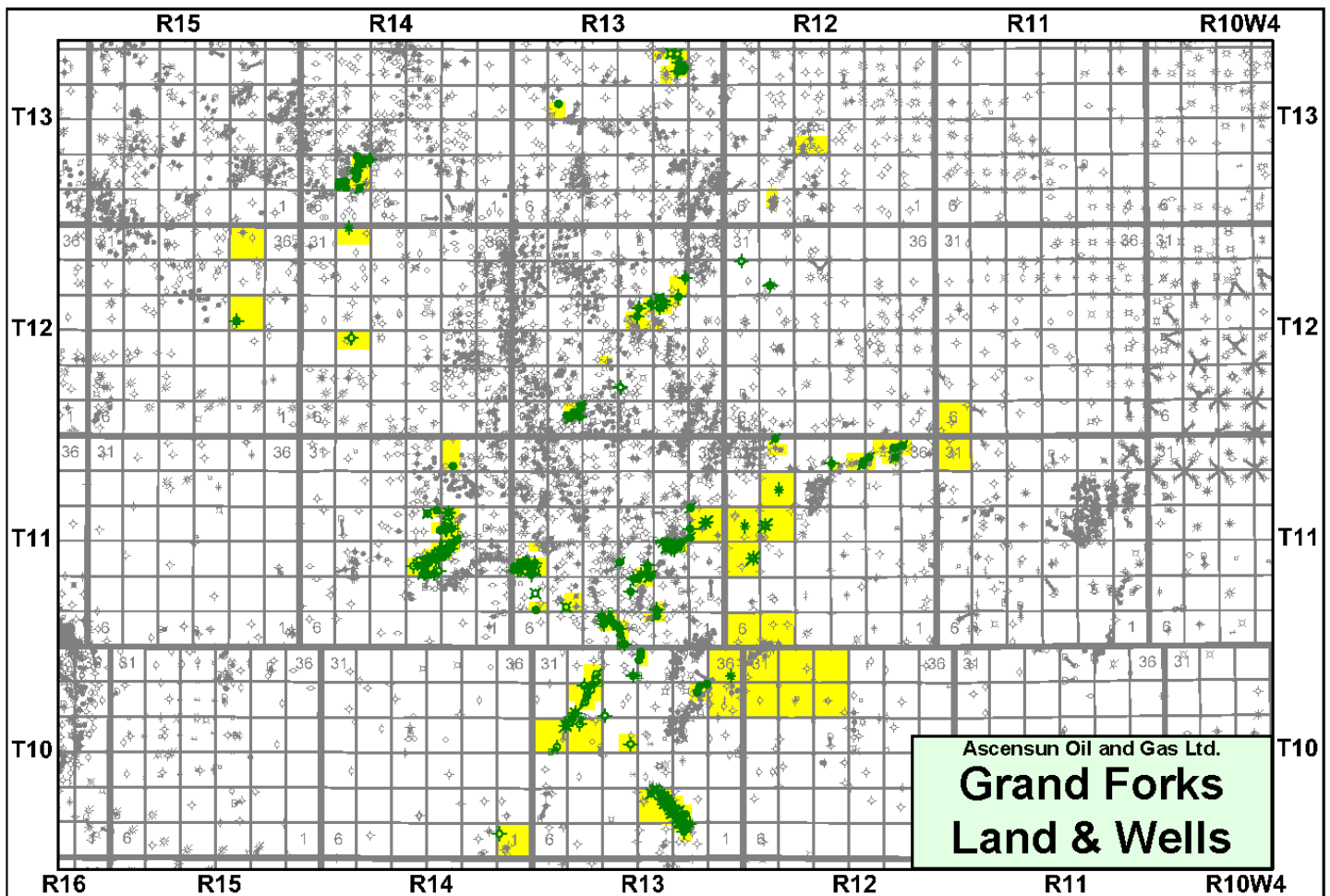
## Grand Forks Property

## Township 10-13, Range 11-15 W4

At *Grand Forks*, Ascensun holds mainly 100% working interests in several oil pools producing from the Glauconitic Sandstone, Sawtooth, Lower Mannville and Sunburst formations.

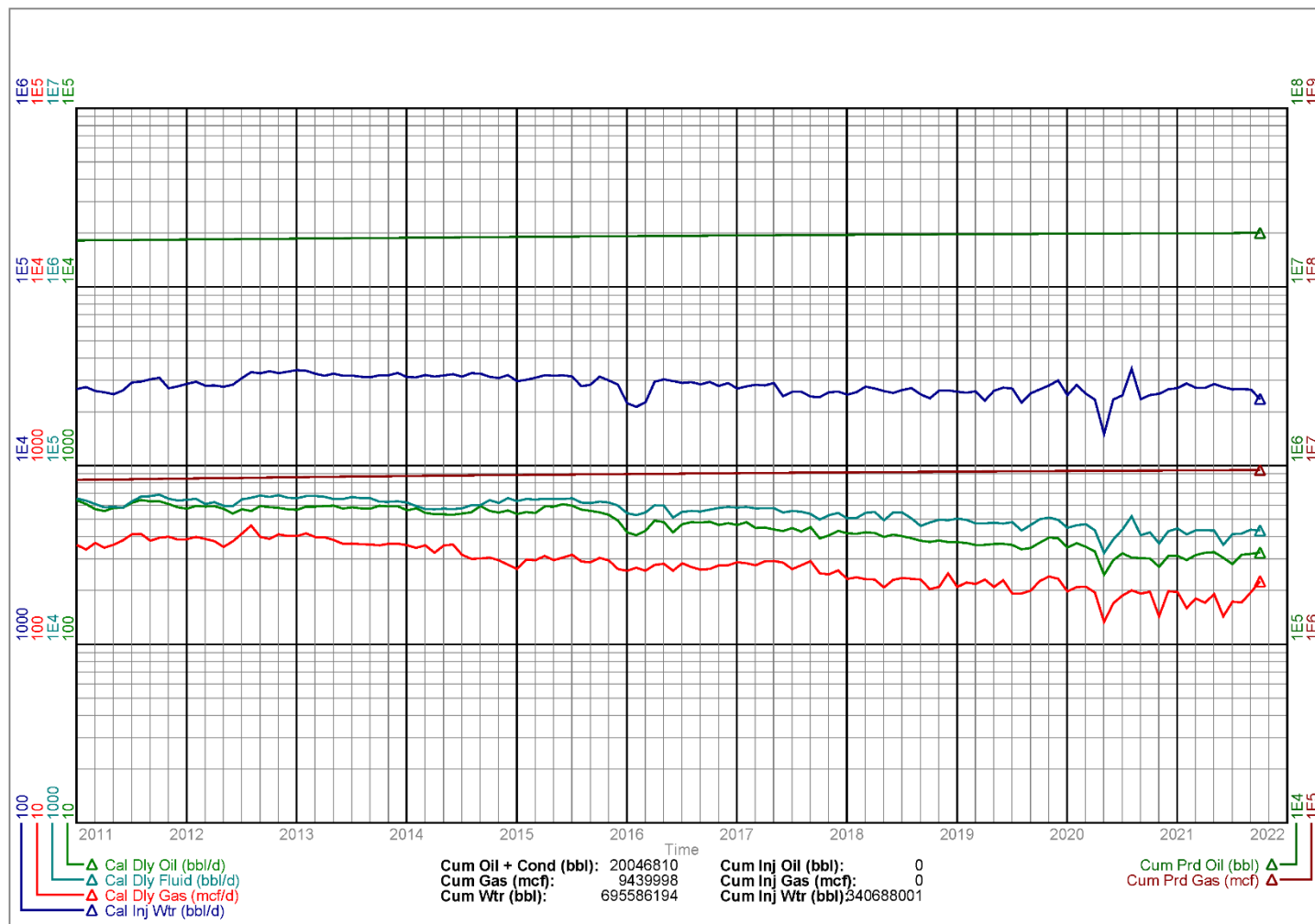
Average daily production net to the Company from *Grand Forks* in November 2021 was approximately 185 barrels of oil and natural gas liquids per day and two Mcf/d of natural gas (185 boe/d).

Operating income net to Ascensun from *Grand Forks* in November 2021 was approximately \$152,000, or \$1.8 million on an annualized basis.





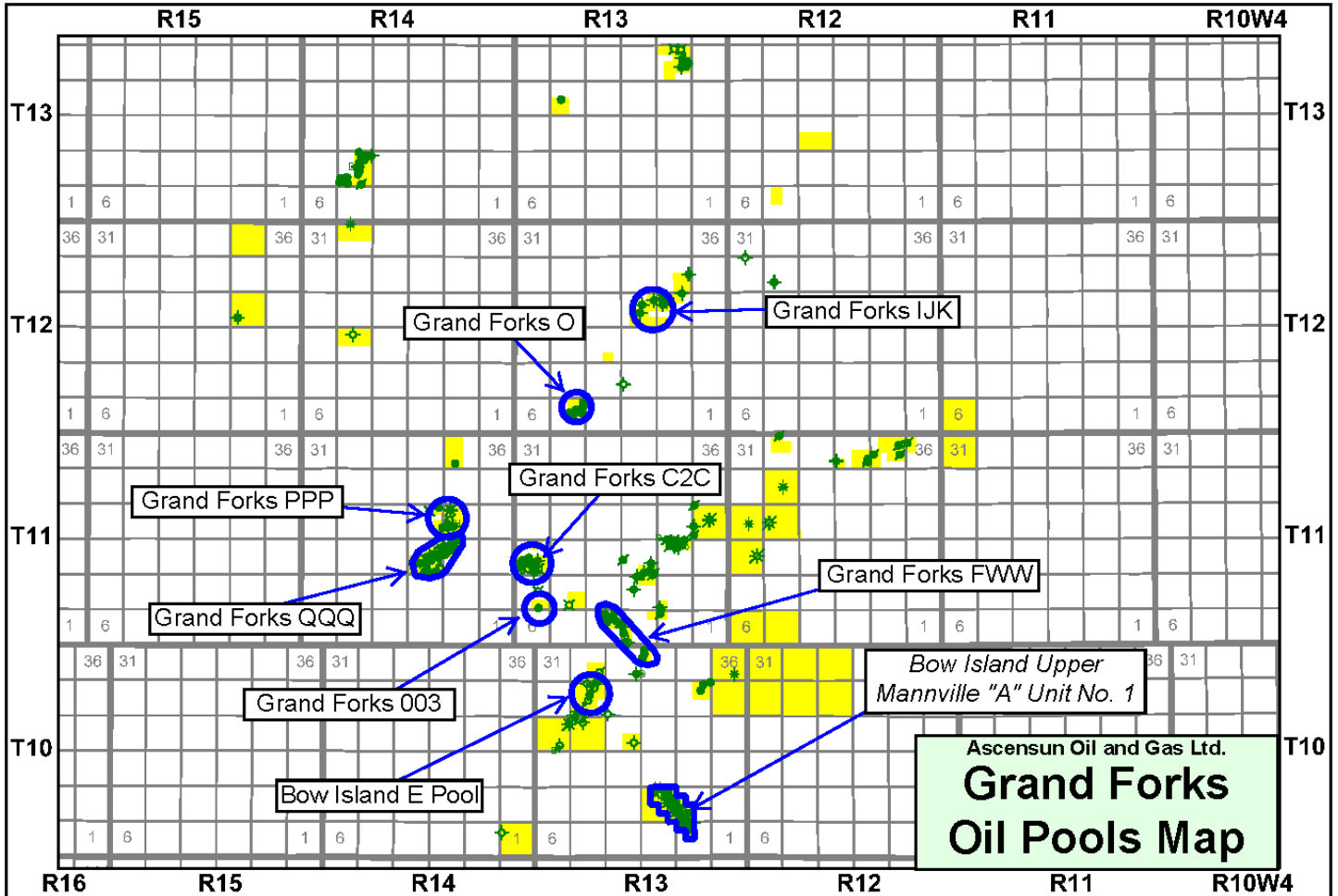
**Grand Forks, Alberta**  
**Gross Production Group Plot of Ascensun's Oil and Natural Gas Wells**





## Grand Forks Geology

The *Grand Forks* property consists of several oil pools targeting the Glauconitic Sandstone, Sawtooth, Lower Mannville and Sunburst formations as shown on the following map.





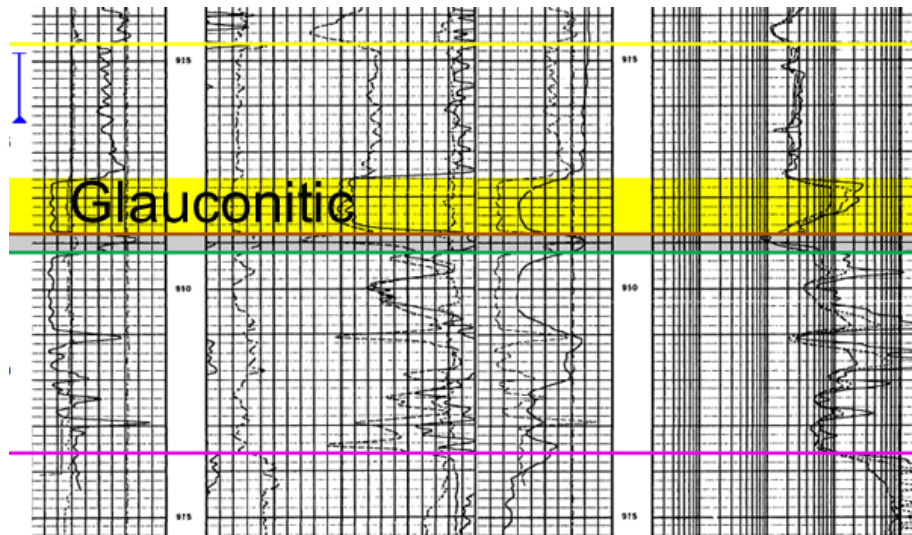


## Bow Island Glauconite E Pool – Glauconitic Sandstone Formation

The Glauconitic Sandstone Formation is found at a depth of approximately 900-950 metres as shown in the following well log.

The main mechanism for production from the E pool reservoir is water drive. Three wells have been converted to water injectors to maintain pressure.

### Churchill BI 100/04-29-010-13W4/0 – Glauconitic Sandstone Formation Type Log

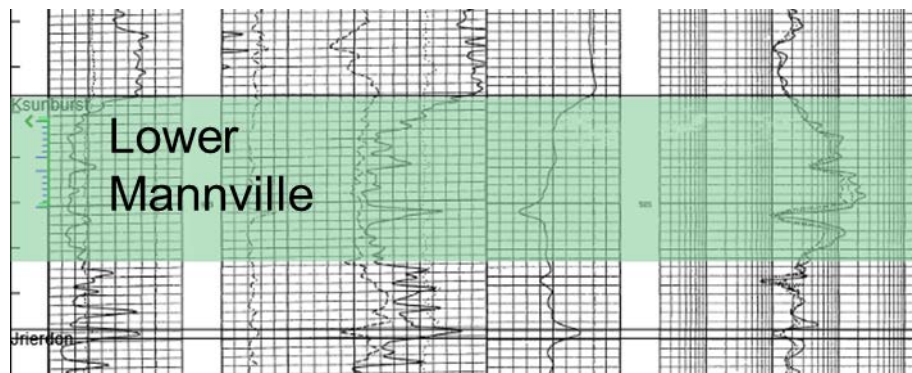


## Grand Forks FWW Pool – Lower Mannville WW

The Lower Mannville Formation is found at a depth of approximately 900-950 metres as shown in the following well log.

The Lower Mannville reservoir in the FWW pool produces through water drive.

### Churchill 102 GrdFrks 102/15-04-011-13W4/0 – Lower Mannville Type Log

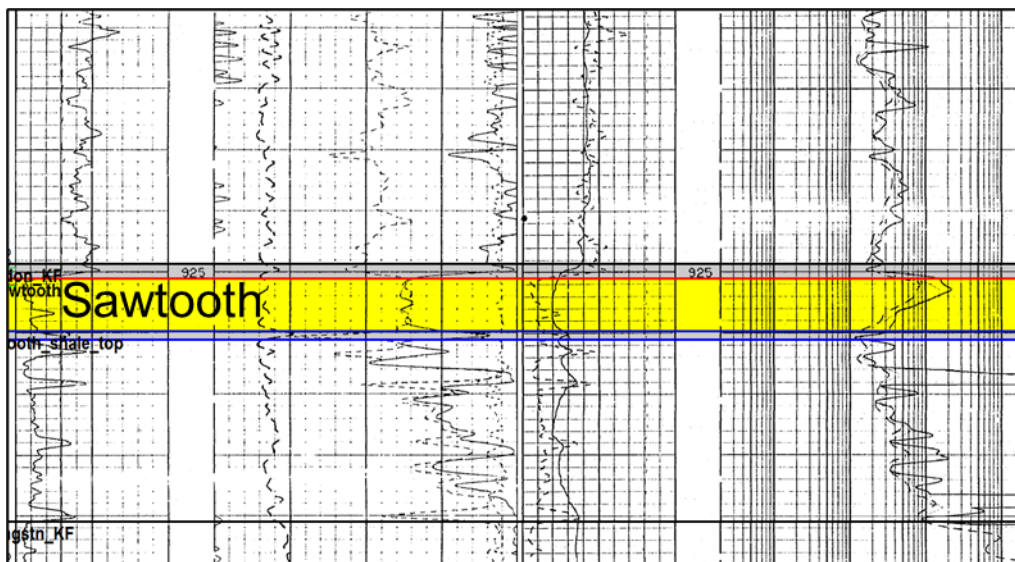




## Grand Forks Sawtooth PPP Pool

The Sawtooth reservoir is found at a depth of approximately 900-950 metres as shown in the following well log.

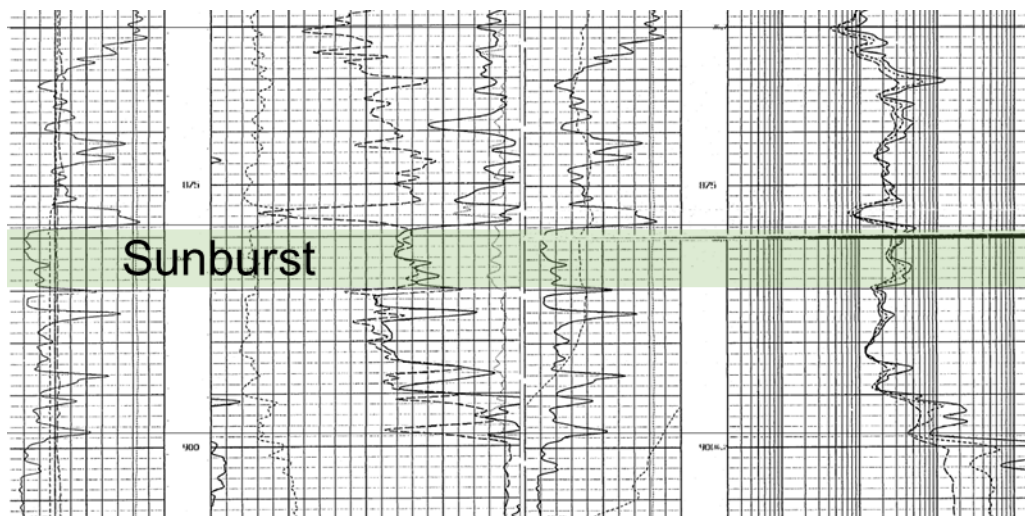
### *Oakmont GrdFrks 100/08-22-011-14W4/0 – Sawtooth Type Log*



## Grand Forks Sunburst C2C Pool

The Sunburst Formation is found at a depth of approximately 870 metres as shown in the following well log.

### *Churchill 102 GrdFrks 102/03-18-011-13W4/0 – Sunburst Type Log*

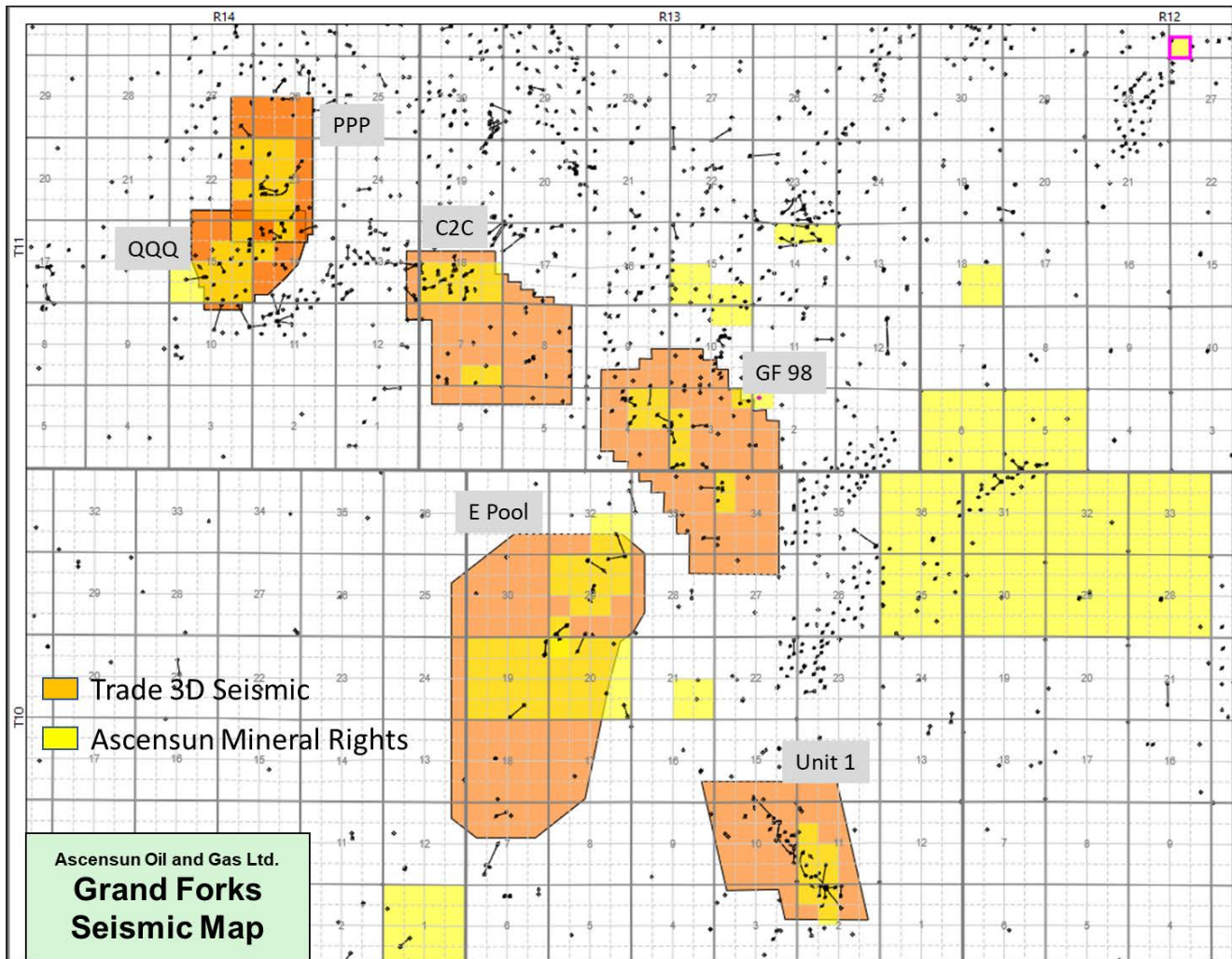






## Grand Forks Seismic

The Company has ownership in trade 3D seismic data over the majority of its lands at *Grand Forks* as illustrated on the following plat. The Company's interpretations of the seismic are available for viewing on a workstation by parties which have executed a confidentiality agreement.



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





## Grand Forks Facilities

Ascensun holds an interest in the following facilities at *Grand Forks*.

Further details on the Company's facilities and equipment are available to parties that sign a confidentiality agreement.

License Number	Surface Location	Operator	Facility Type	Ascensun W.I. %
400	00/13-02-010-13W4	Ascensun	Oil Satellite	100%
401	00/09-10-010-13W4	Ascensun	Muti-well Battery	100%
413	00/04-29-010-13W4	Ascensun	Oil Satellite	75%
562	00/12-03-011-13W4	Ascensun	Oil Satellite	100%
563	00/10-07-011-13W4	Ascensun	Muti-well Battery	90.86%
564	00/02-08-011-13W4	Ascensun	Water Injection Plant	60%
576	00/02-18-011-13W4	Ascensun	Oil Satellite	100%
625	00/10-22-011-14W4	Ascensun	Muti-well Battery	100%
815	00/13-23-012-13W4	Canadian Natural	Injection Plant	40%
816	00/14-23-012-13W4	Canadian Natural	Muti-well Battery	40%
847	00/05-23-012-15W4	Ascensun	Single Well Battery	55%
20120	00/12-14-011-14W4	Ascensun	Multi-well Battery	100%
20560	00/13-34-010-13W4	Ascensun	Oil Satellite	81.25%
20563	00/15-04-011-13W4	Ascensun	Oil Satellite	100%
21141	00/10-15-011-14W4	Ascensun (COGI)	Satellite	96.44%
35898	02/04-29-010-13W4	Ascensun	Compressor Station	75%
39180	00/16-29-010-13W4	Ascensun	Oil Satellite	75%

The Grand Forks E, C2C and FWW pools produce to Ascensun's multi-well oil battery at 10-07-11-13W4.

Ascensun's oil production from the Grand Forks PPP pool is pipeline connected to its battery at 10-22-11-14W4.

The Company's oil production from the Grand Forks QQQ is connected to its battery at 00/12-14-011-14W4.

The Company has a 100% working interest in the *Bow Island Upper Mannville "A" Unit No. 1* which has a gathering system connected to its multi-well battery at 09-10-10-13W4.





## Grand Forks Marketing

Ascensun has a monthly crude oil purchase agreement in place with **Macquarie Oil Services Canada Ltd.** terminable with 30 days' notice.

Ascensun's multi-well batteries are located at 09-10-10-13W4, 10-07-11-13W4, 12-14-11-14W4 and 10-22-11-14W4. Oil is trucked to the Fincastle truck terminal where it is sold into the Bow River South Pipeline and the BR Plains Pipeline.

## Grand Forks Reserves

*Trimble Engineering Associates Ltd.* ("Trimble") prepared an independent reserves evaluation of the Properties as part of the Company's year-end evaluation (the "Trimble Report"). The Trimble Report is effective December 31, 2020 using Trimble's January 1, 2021 forecast pricing.

Trimble estimates that, as of December 31, 2020, the *Grand Forks* property contained remaining proved plus probable reserves of 2.4 million barrels of oil, with an estimated net present value of \$18.8 million using forecast pricing at a 10% discount.

Trimble Engineering Associates Ltd. as of December 31, 2020							
COMPANY GROSS RESERVES					PV BEFORE TAX		
	Oil	Natural Gas	Ngl	Total	5%	10%	15%
	Mbbl	MMcf	Mbbl	MBOE		(000s)	
<b>Proved Developed Producing</b>	<b>252</b>	<b>0</b>	<b>0</b>	<b>252</b>	<b>\$1,841</b>	<b>\$2,098</b>	<b>\$2,001</b>
Proved Undeveloped	694	0	0	694	\$5,157	\$3,969	\$3,057
<b>Total Proved</b>	<b>945</b>	<b>0</b>	<b>0</b>	<b>945</b>	<b>\$6,998</b>	<b>\$6,067</b>	<b>\$5,058</b>
Probable	1,505	0	0	1,505	\$17,739	\$12,772	\$9,356
<b>Total Proved Plus Probable</b>	<b>2,451</b>	<b>0</b>	<b>0</b>	<b>2,451</b>	<b>\$24,737</b>	<b>\$18,839</b>	<b>\$14,414</b>

The reserve estimates and forecasts of production and revenues for the Company's properties were prepared within the context of the Company's year-end evaluation, which was an evaluation of all of the Company's properties in aggregate. Extraction and use of any individual property evaluation outside of this context may not be appropriate without supplementary due diligence. Values in the "Total" row may not correspond to the total of the values presented due to rounding.





## Grand Forks LMR as of January 1, 2022

As of January 1, 2022, Ascensun's net deemed asset value for *Grand Forks* was (\$1.4 million) (deemed assets of \$7.6 million and deemed liabilities of \$9.0 million), with an LMR ratio of 0.84.

Deemed Assets	Deemed Liabilities	Net Deemed Assets	LMR
\$7,632,865	\$9,045,245	(\$1,412,380)	0.84

The stated LMR numbers do not include a \$2.4 million security deposit with the AER.

## Grand Forks Well List

See well list in Excel.



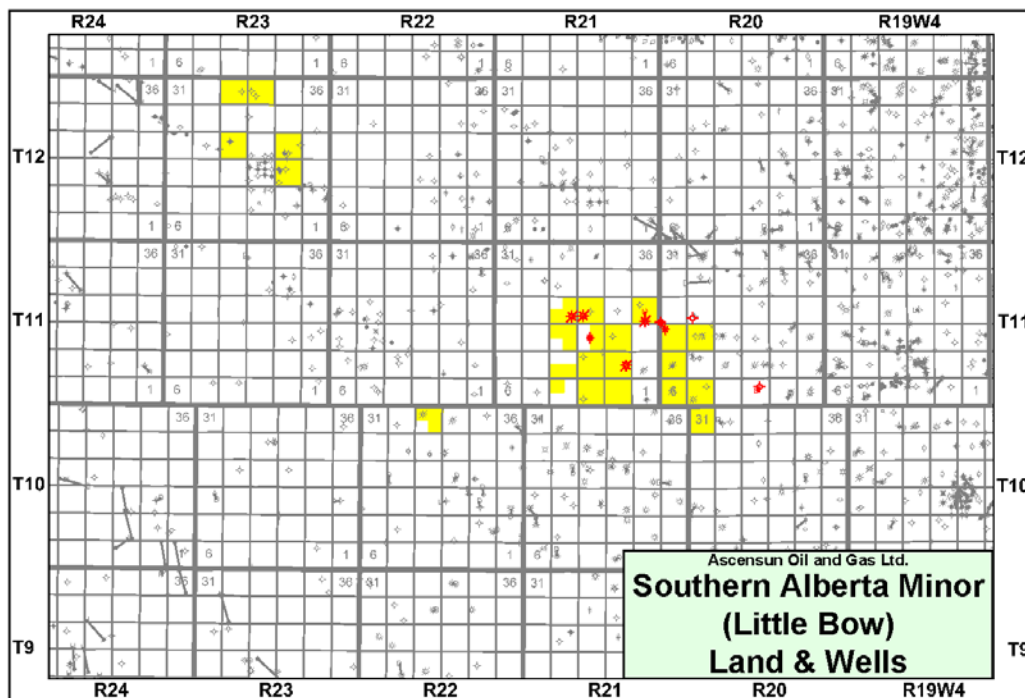
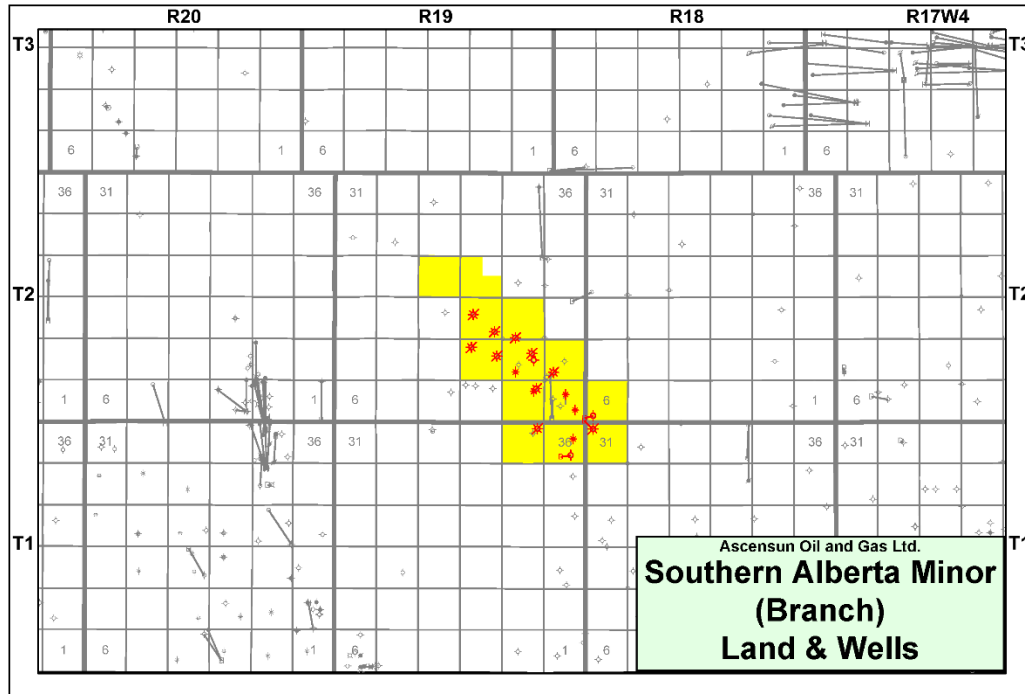


## Southern Alberta Minor Properties

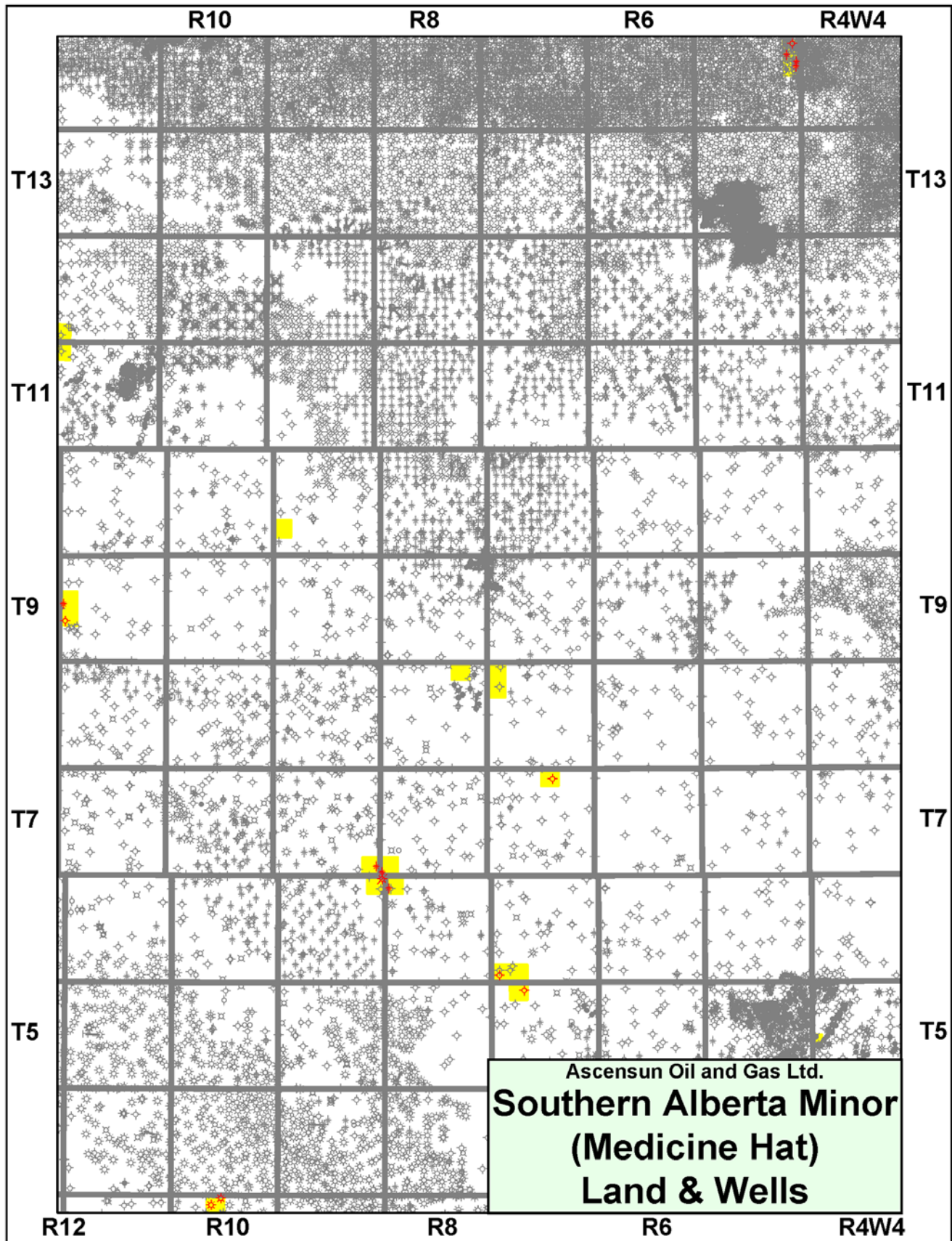
## Township 1-14, Range 4-23 W4

In addition to Ascensun's interests in the *Grand Forks* and *Leduc* areas, the Company has various operated and non-operated working interests in several wells throughout Alberta including the *Branch*, *Little Bow* and *Medicine Hat* areas.

There is no production associated with the *Southern Alberta Minor* properties.









## Southern Alberta Minor Facilities

At *Southern Alberta Minor* Ascensun holds an interest in the following facilities.

Further details on the Company's facilities and equipment are available to parties that sign a confidentiality agreement.

License Number	Surface Location	Operator	Facility Type	Ascensun W.I. %
23616	00/06-22-011-21W4	Ascensun	Gas Plant	100%

The 06-22 gas plant consists of a dehydrator, compressor and tank.

## Southern Alberta Minor Reserves

The Southern Alberta Minor properties were not evaluated.

## Southern Alberta Minor LMR as of January 1, 2022

As of January 1, 2022, Ascensun's net deemed asset value for *Southern Alberta Minor* was (\$804,922) (deemed assets of \$0 and deemed liabilities of \$804,922), with an LMR ratio of 0.00.

Deemed Assets	Deemed Liabilities	Net Deemed Assets	LMR
\$0	\$804,922	(\$804,922)	0.00

The stated LMR numbers do not include a \$2.4 million security deposit with the AER.

## Southern Alberta Minor Well List

See well list in Excel.



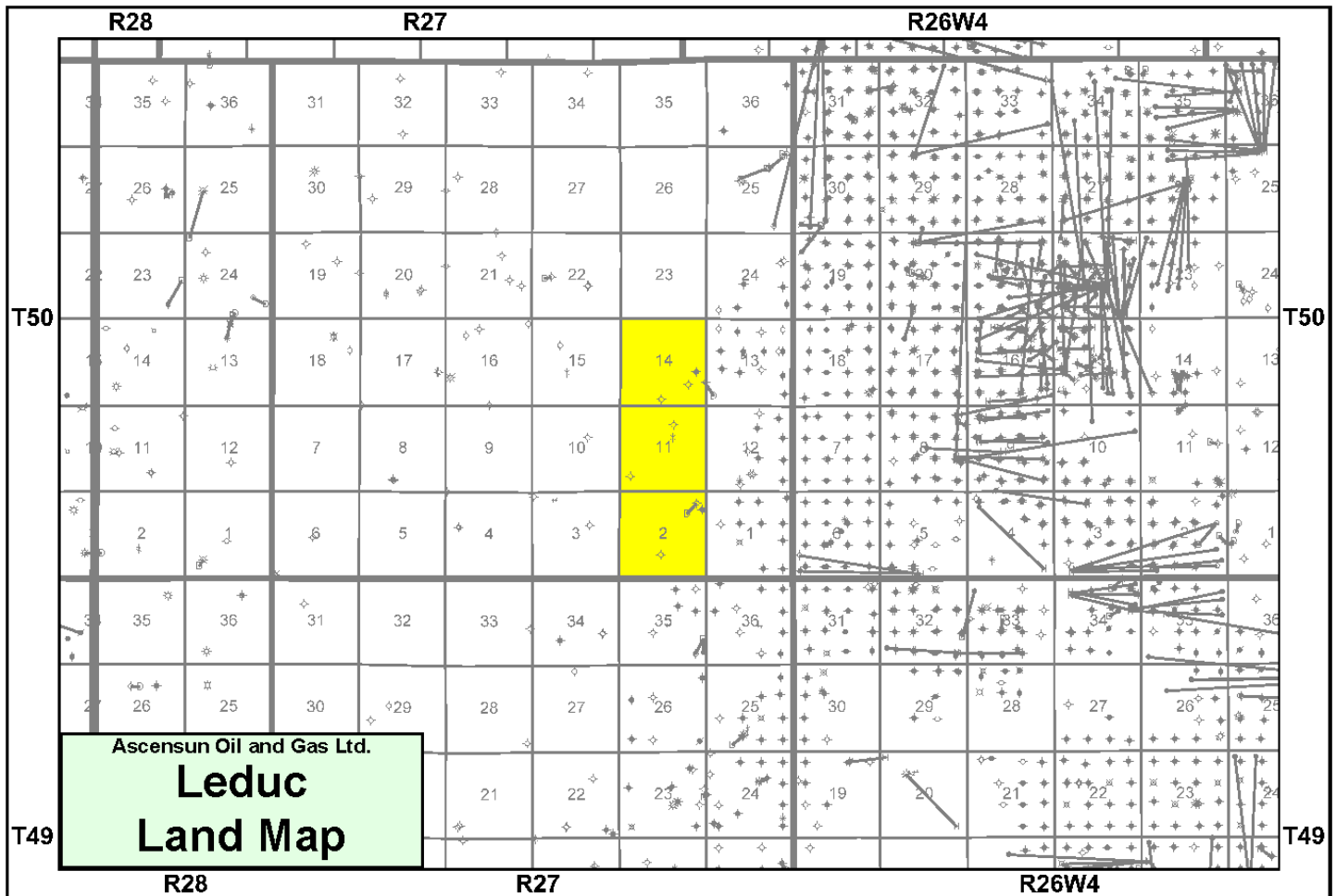


## Leduc Property

## Township 50, Range 27 W4

At *Leduc*, Ascensun has a 100% working interest in three sections of land prospective for the oil in the Nisku Formation.

There is no production from the *Leduc* property. The Company has four horizontal Nisku drilling locations booked on its lands at *Leduc* including one proved undeveloped and three probable undeveloped locations.

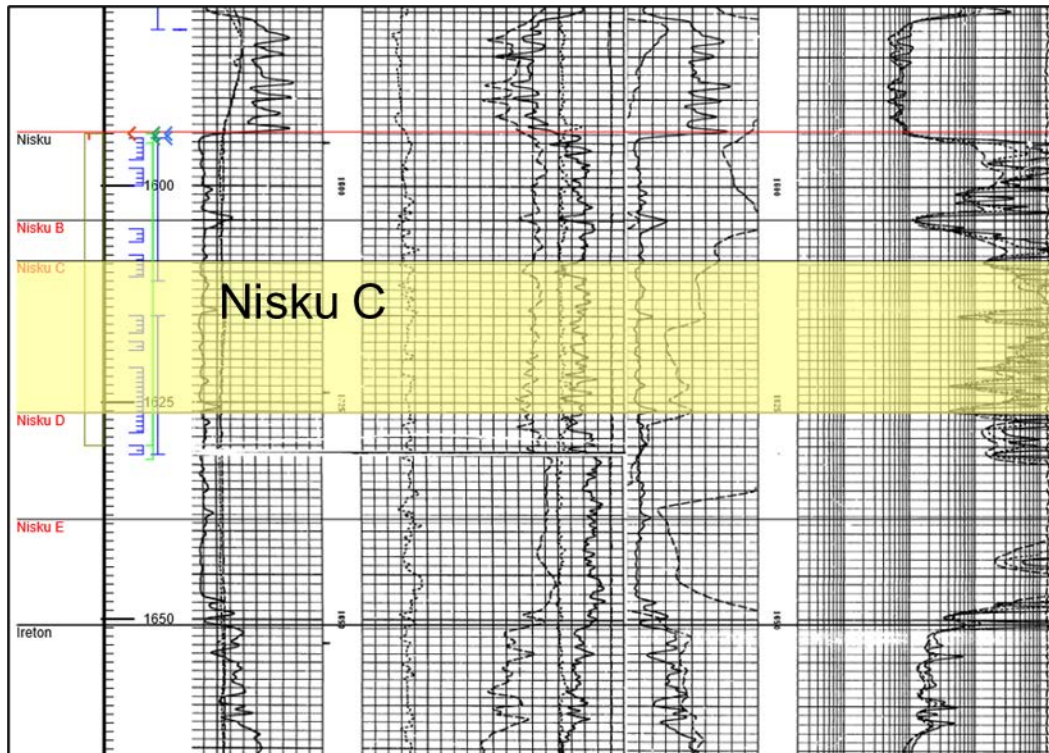




## Leduc Geology

As shown in the following well log, the Nisku C zone is the target reservoir at *Leduc*.

### ***OWL Et Al Leduc 100/16-02-050-27W4/0 – Nisku Formation Type Log***

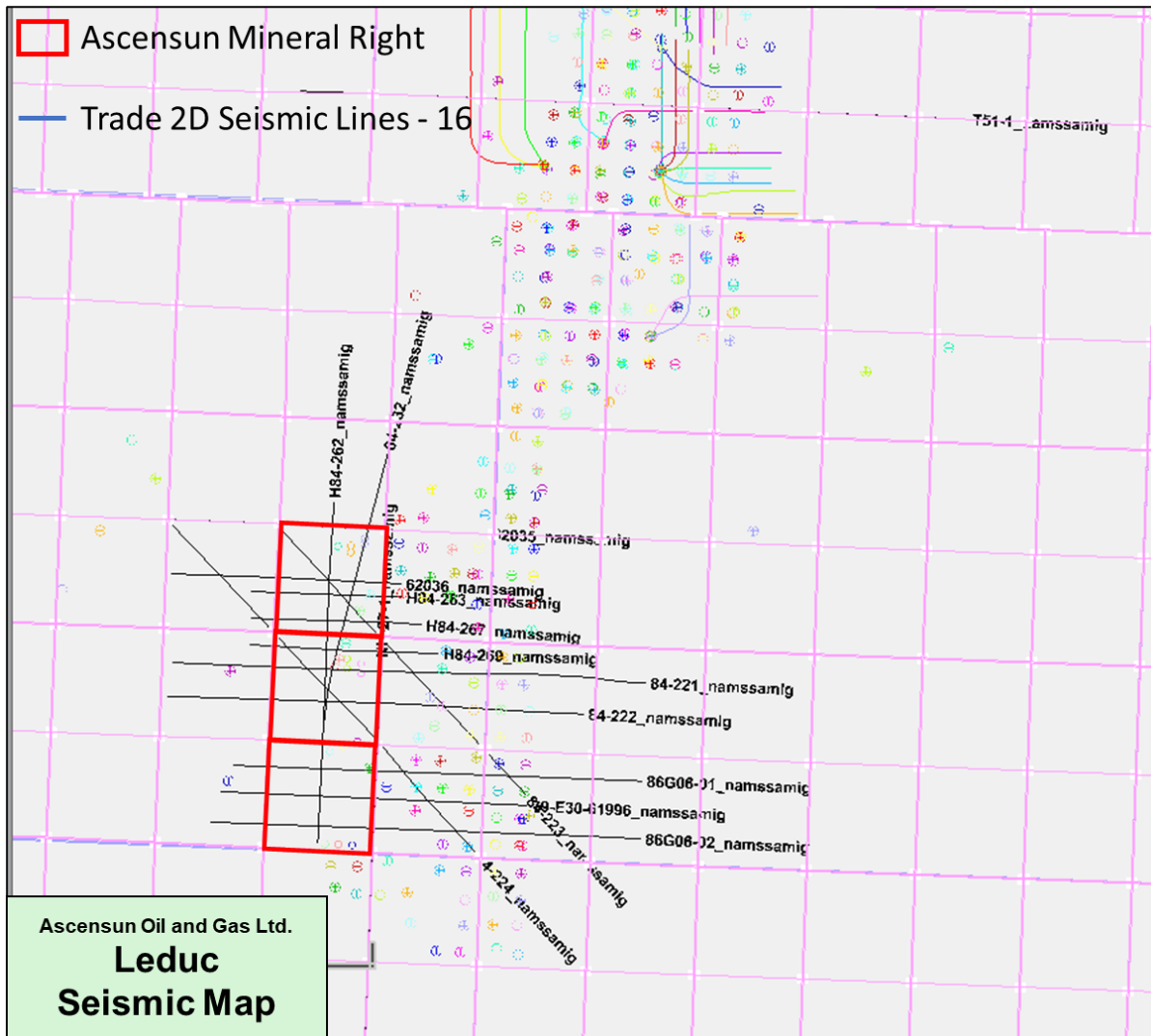






## Leduc Seismic

The Company has ownership in trade 2D seismic data over the majority of its lands at *Leduc* as illustrated on the following plat. The Company's interpretations of the seismic are available for viewing on a workstation by parties which have executed a Confidentiality Agreement.



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## Leduc Reserves

*Trimble Engineering Associates Ltd.* ("Trimble") prepared an independent reserves evaluation of the Properties as part of the Company's year-end evaluation (the "Trimble Report"). The Trimble Report is effective December 31, 2020 using Trimble's January 1, 2021 forecast pricing.

Trimble estimates that, as of December 31, 2020, the *Leduc* property contained remaining proved plus probable reserves of 741,000 barrels of oil and 1.2 Bcf of natural gas (945,000 boe), with an estimated net present value of \$8.7 million using forecast pricing at a 10% discount.

Trimble Engineering Associates Ltd. as of December 31, 2020							
	COMPANY GROSS RESERVES				PV BEFORE TAX		
	Oil Mbbbl	Natural Gas MMcf	Ngl Mbbbl	Total MBOE	5%	10% (000s)	15%
<b>Proved Developed Producing</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Proved Undeveloped	114	213	15	164	\$1,211	\$776	\$450
<b>Total Proved</b>	<b>114</b>	<b>213</b>	<b>15</b>	<b>164</b>	<b>\$1,211</b>	<b>\$776</b>	<b>\$450</b>
Probable	541	1,012	71	781	\$10,584	\$7,924	\$6,058
<b>Total Proved Plus Probable</b>	<b>655</b>	<b>1,225</b>	<b>86</b>	<b>945</b>	<b>\$11,795</b>	<b>\$8,699</b>	<b>\$6,508</b>

The reserve estimates and forecasts of production and revenues for the Company's properties were prepared within the context of the Company's year-end evaluation, which was an evaluation of all of the Company's properties in aggregate. Extraction and use of any individual property evaluation outside of this context may not be appropriate without supplementary due diligence. Values in the "Total" row may not correspond to the total of the values presented due to rounding.

## Leduc LMR as of January 1, 2022

Ascensun does not operate any wells or facilities at *Leduc*.

## Leduc Well List

Ascensun does not have ownership in any wells at *Leduc*.

