

INCREASED PRODUCTION, NEW VOLUMES COMING ON IN MARCH

Mar 28, 2024

February 2024 estimated production averaged 9,710 boe/d, an increase of 339 boe/d over January. Volumes were comprised of 69% natural gas and 31% total liquids. The increase in production month over month is attributable to improved runtime, increased working interest in newly drilled wells and added production from new wells continuing to offset decline. Approximately 170 boe/d of dry gas volumes in our Foothills area remains shut-in due to low natural gas pricing.

9,710
Production (boe/d)
\$3.0 MM
Capital Spending

| Capital | 12 months* | | | | 3 mos. | | | | 1 mo., | 1 mo., |
|----------------------------------|--------------|--------------|--------------|--------------|----------------|----------------|----------------|----------------|---------------|---------------|
| | 2019 | 2020 | 2021 | 2022 | 2023 Q1 | 2023 Q2 | 2023 Q3 | 2023 Q4 | Jan-24 | Feb-24 |
| Total Capital | 17,422 | 14,298 | 27,015 | 96,744 | 29,820 | 3,380 | 21,617 | 30,126 | 6,485 | 3,043 |
| Average Daily Production | 2019 | 2020 | 2021 | 2022 | 2023 Q1 | 2023 Q2 | 2023 Q3 | 2023 Q4 | Jan-24 | Feb-24 |
| Gas (mcf/d) | 32,032 | 27,640 | 23,680 | 30,441 | 45,237 | 44,010 | 42,045 | 39,891 | 38,835 | 40,005 |
| Oil (bbl/d) | 1,616 | 1,021 | 1,019 | 1,436 | 2,192 | 1,670 | 1,316 | 1,218 | 1,385 | 1,442 |
| NGLs (bbl/d) | 1,351 | 980 | 1,043 | 1,094 | 1,654 | 1,486 | 1,556 | 1,607 | 1,513 | 1,600 |
| Total (BOE_e/d) | 8,306 | 6,608 | 6,009 | 7,604 | 11,385 | 10,492 | 9,880 | 9,474 | 9,371 | 9,710 |
| Benchmark Average Prices | 2019 | 2020 | 2021 | 2022 | 2023 Q1 | 2023 Q2 | 2023 Q3 | 2023 Q4 | Jan-24 | Feb-24 |
| AECO 5A (C\$/GJ) | 1.67 | 2.09 | 3.43 | 5.04 | 3.05 | 2.32 | 2.46 | 2.18 | 3.68 | 1.71 |
| AECO 7A (C\$/GJ) | 1.54 | 2.12 | 3.38 | 5.22 | 4.12 | 2.22 | 2.26 | 2.52 | 1.99 | 2.20 |
| WTI (US\$/Bbl) | 57.03 | 39.41 | 67.96 | 94.23 | 76.13 | 73.78 | 82.26 | 78.39 | 73.86 | 76.61 |
| Mixed Sweet Blend (C\$/Bbl) | 69.03 | 45.69 | 80.48 | 119.41 | 99.87 | 95.07 | 107.47 | 96.60 | 87.32 | 92.63 |
| CAD/US FX | 0.75 | 0.75 | 0.79 | 0.74 | 0.74 | 0.74 | 0.74 | 0.73 | 0.75 | 0.74 |

Note 1: Tables include preliminary information based on operations data; actual reported results may vary.
*Audited annual financial information.

Completion operations on jointly owned non-operated wells are currently underway and production is expected to start coming on in March. We look forward to sharing the results from these wells in next month's update. With spring break up approaching rapidly, capital activity will be limited over the next couple of months. We anticipate picking our 2024 program back up in the spring with the completion of the operated wells drilled in January. The current capital plan has us returning to drilling in the summer.

Approximately 90% of our 2024 capital budget of \$40 million to \$50 million has been allocated toward drilling new wells in our Ferrier and North Ferrier areas. Through the successful execution of our 2024 capital plan we expect to achieve 2024 annual average production of 9,000- 10,000 boe/d, generate \$55 million to \$65 million in annual funds flow and create free funds flow of \$15 million to \$20 million which will be used to continuing paying a monthly dividend to our shareholders.