

January 2021 Activity Update

January 2021 production averaged 6,083 boe/d, compared to 6,095 boe/d in December. Volumes were comprised of 15% light oil and 33% total liquids. Production volumes were slightly lower than the prior month due to natural declines.

Capital expenditures in the month were mostly related to the tie in of one well which was completed early in the fourth quarter. It is anticipated that this well will be on production later in the first quarter. Petrus' Board of Directors has approved a first quarter 2021 capital budget of \$9.0 million to drill three (2.1 net) Cardium wells in the Ferrier area. With the risk of volatility in the price of Canadian light oil and natural gas, the Company believes that it is prudent to maintain a disciplined capital budget that is flexible from an operational and financial perspective. Petrus will continue to monitor the Canadian commodity price environment and will evaluate subsequent quarter capital spending as the year progresses. The first quarter capital budget is focused on the highest rates of return, lowest risk, condensate rich drilling opportunities in the Company's inventory at Ferrier, Alberta. Petrus is focused on designing its 2021 capital plan to invest capital systematically within funds flow, permitting excess funds to reduce debt.

Petrus ended January with \$77.0 million drawn on its revolving credit facility which had a borrowing base maximum size of \$83.0 million. Management believes the Company has adequate liquidity to execute the Petrus business plan over the coming year. Consistent with past years, Petrus plans to continue to make quarterly paydowns to the revolving credit facility in addition to a disciplined capital spending program during 2021. Recent improvements in the 2021 commodity price outlook as well as pricing protection afforded from a continued systematic hedging program should allow this to be funded within cash flow.

Capital Investment (\$000s) (note 1)	12 months*				1 mo.
	2017	2018	2019	2020	Jan-21
Drill & Complete	51,283	16,510	12,871	11,477	(7)
Equip & Tie-in	5,670	4,177	2,001	1,412	121
Facility	12,948	-	1,634	200	-
Geological	227	-	-	-	-
Land & Lease	343	1,635	37	92	-
Other	2,279	1,776	1,530	1,117	93
Total Capital	72,750	24,098	18,073	14,298	207

Net Acquisition/(Disposition)	4,741	(448)	(651)	-	-
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Average Daily Production (note 1)	12 months*				1 mo.
	2017	2018	2019	2020	Jan-21
Gas (mcf/d)	46,625	37,101	32,032	27,640	24,371
Oil (bbl/d)	1,854	1,402	1,616	1,021	905
NGLs (bbl/d)	1,086	1,433	1,351	980	1,116
Total (BOE_e/d)	10,711	9,019	8,306	6,608	6,083
Light Oil Weighting (%)	17%	16%	19%	15%	15%
Total Liquids Weighting (%)	27%	31%	36%	30%	33%

Benchmark Average Prices (note 1)	12 months*				1 mo.
	2017	2018	2019	2020	Jan-21
AECO 5A (C\$/GJ)	2.04	1.42	1.67	2.09	2.60
AECO 7A (C\$/GJ)	2.30	1.45	1.54	2.12	2.50
WTI (US\$/Bbl)	50.95	64.77	57.03	39.41	52.10
Mixed Sweet Blend (C\$/Bbl)	62.28	69.13	69.03	45.69	59.78
CAD/US FX	0.77	0.77	0.75	0.75	0.79

Note 1: Tables include estimated information based on operations data; actual reported results may vary.

*Audited annual financial information.