

September 2020 Activity Update

Petrus resumed drilling activity in September as favourable fall weather conditions encouraged management to accelerate planned Q4 activity into late September. Drilling operations were completed on time and under budget. The completion and tie in of this well will take place in the fourth quarter and comprise the bulk of the \$2.5 MM in capital spending planned for the remainder of the year.

The Company continues to explore opportunities to access government support programs put in place during the COVID-19 pandemic including increased debt facilities from the EDC, wage subsidies, and well abandonment and reclamation subsidies. Petrus is committed to maintaining its financial flexibility and the Company will continue to determine capital expenditures on a quarterly basis. Management anticipates that the 2020 capital plan will be funded by funds flow, and will continue to systematically reduce debt each quarter. Objectives of the 2020 capital plan are to reduce debt, and maintain production rates. With a stronger forward strip for Alberta gas prices in 2021 combined with the current hedge portfolio, the Company is expecting to have greater free cash flow in 2021 to allocate to additional drilling activity compared to 2020, in addition to continuing systematic debt reductions.

Capital spending was \$2.4 MM in September which consisted of the drilling portion of one well.

Estimated September 2020 average production is 6,044 boe/d, comprised of 17% light oil and 33% total liquids. September production volumes were down 504 boe/d from August volumes due to the 2.5 day shut-in for the 2-25 plant turnaround. In the Foothills area, a partner operated plant also had a scheduled turnaround which continued into September. October production volumes are expected to exceed September with a return to normal run times on these facilities.

Capital Investment (\$000s) (note 1)	12 months*			3 mos.	3 mos.	1 mo.	1 mo.	1 mo.
	2017	2018	2019	Q1 2020	Q2 2020	Jul-20	Aug-20	Sep-20
Drill & Complete	51,283	16,510	12,871	7,511	70	15	212	2,349
Equip & Tie-in	5,670	4,177	2,001	690	-	(62)	(94)	-
Facility	12,948	-	1,634	105	24	-	-	-
Geological	227	-	-	-	-	-	-	-
Land & Lease	343	1,635	37	18	12	5	1	-
Other	2,279	1,776	1,530	331	199	98	103	87
Total Capital	72,750	24,098	18,073	8,655	305	56	222	2,436

Net Acquisition/(Disposition)	4,741	(448)	(651)	-	-	-	-	-
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Average Daily Production (note 1)	12 months*			3 mos.	3 mos.	1 mo.	1 mo.	1 mo.
	2017	2018	2019	Q1 2020	Q2 2020	Jul-20	Aug-20	Sep-20
Gas (mcf/d)	46,625	37,101	32,032	30,604	27,630	25,970	26,272	24,474
Oil (bbl/d)	1,854	1,402	1,616	1,134	867	1,111	1,142	1,010
NGLs (bbl/d)	1,086	1,433	1,351	1,088	819	949	1,025	955
Total (BOE₆/d)	10,711	9,019	8,306	7,323	6,291	6,388	6,546	6,044
Light Oil Weighting (%)	17%	16%	19%	15%	14%	17%	17%	17%
Total Liquids Weighting (%)	27%	31%	36%	30%	27%	32%	33%	33%

Benchmark Average Prices (note 1)	12 months*			3 mos.	3 mos.	1 mo.	1 mo.	1 mo.
	2017	2018	2019	Q1 2020	Q2 2020	Jul-20	Aug-20	Sep-20
AECO 5A (C\$/GJ)	2.04	1.42	1.67	1.93	1.89	1.89	2.05	2.13
AECO 7A (C\$/GJ)	2.30	1.45	1.54	2.03	1.81	1.79	1.89	2.43
WTI (US\$/Bbl)	50.95	64.77	57.03	46.17	27.81	40.77	42.39	39.63
Mixed Sweet Blend (C\$/Bbl)	62.28	69.13	69.03	52.20	32.17	49.38	50.56	46.57
CAD/US FX	0.77	0.77	0.75	0.74	0.74	0.74	0.76	0.76

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

*Audited annual financial information.