

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000, as amended (“FSMA”) or, if you are not resident in the UK, from another appropriately authorised independent financial adviser in your own jurisdiction.

This document (this “Prospectus”) comprises a prospectus relating to Canadian Overseas Petroleum Limited (the “Company”), prepared in accordance with the prospectus regulation rules of the United Kingdom Financial Conduct Authority (the “FCA”) made under section 73A of the FSMA (the “Prospectus Regulation Rules”). This Prospectus has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules. This Prospectus has been approved by the FCA as competent authority under Regulation (EU) 2017/1129 (as amended), as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time (the “UK Prospectus Regulation”). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Accordingly, such approval should not be considered as an endorsement of the issuer that is the subject of this document nor should such approval be considered as an endorsement of the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities that are the subject of this Prospectus.

LR 2.2.10  
(2)(a)  
A1, 1.5  
A11, 1.5

Application will be made to the FCA for the New Shares (as defined below) to be admitted to the standard listing segment of the Official List maintained by the FCA, and to the London Stock Exchange plc (the “London Stock Exchange”) for such New Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities (“New Shares Admission”). It is expected that the New Shares Admission will become effective and that unconditional dealings in the Common Shares will commence at 8:00 am (London time) on 3 February 2023.

LR 2.2.3  
A11, 5.1

The Common Shares are, and will continue following the New Shares Admission, to be listed and posted for trading on the Canadian Securities Exchange. No application has been, or is currently intended to be, made for the Common Shares to be admitted to listing or trading on any other stock exchange.

The Directors, whose names appear on page 28 of this Prospectus, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and Company, the information contained in this Prospectus is in accordance with the facts and this Prospectus contains no omission likely to affect its import.

A1, 1.1  
A1, 1.2

Prospective investors should read this Prospectus in its entirety. In particular, your attention is drawn to Part III (Risk Factors) of this Prospectus for a discussion of the risks that might affect the value of your shareholding in the Company. Prospective investors should be aware that an investment in the Company involves a degree of risk and that, if certain risks described in this Prospectus occur, investors may find their investment materially adversely affected. Accordingly, an investment in the Common Shares is only suitable for investors who are particularly knowledgeable in investment matters and who are able to bear the loss of the whole or part of their investment.



# Canadian Overseas Petroleum Limited

*(a company incorporated under the Canada Business Corporations Act and registered in Canada with registered number 420463-8)*

A1, 4.1  
LR 2.2.1 (1)  
LR 18.2.3(1)

**30,250,000 Common Shares issued pursuant to the December 2021 Placing**

**49,930,000 Common Shares issued pursuant to the April 2022 Placing**

**5,895,000 Common Shares issued pursuant to the July 2022 Placing**

**27,514,348 Common Shares issued pursuant to the conversion of the Bonds**

**(together, the “New Shares”)**

**Admission of the New Shares to the standard listing segment of the Official List, and to trading on the main market for listed securities of the London Stock Exchange**

## Share capital

*Authorised number*

*Issued and fully paid*

Unlimited

Common Shares of no par value

**277,858,812**

The contents of this Prospectus are not to be construed as legal, financial, regulatory, investment, business or tax advice. Each recipient should consult its own lawyer, financial adviser or tax adviser for legal, financial or tax advice in relation to the purchase of Common Shares.

A11 4.11

Except as described above, no representation or warranty, express or implied, is made or given by or on behalf of the Company, or any of their respective parent or subsidiary undertakings or the subsidiary undertakings of any such parent undertakings, or any of such person’s directors, officers or employees, or any other person, as to the accuracy, completeness or fairness of the information or opinions contained in this Prospectus and no responsibility or liability for any such information or opinions is accepted. Notwithstanding this, nothing in this paragraph shall exclude liability for any representation or warranty made fraudulently. The date of this Prospectus is 31 January 2023.

## TABLE OF CONTENTS

	<u>Page</u>
PART I - SUMMARY .....	1
PART II - INFORMATION INCORPORATED BY REFERENCE .....	7
PART III - RISK FACTORS .....	8
PART IV - CONSEQUENCES OF A STANDARD LISTING .....	27
PART V - DIRECTORS, CORPORATE SECRETARY, REGISTERED OFFICE AND ADVISORS .....	28
PART VI - EXPECTED TIMETABLE OF PRINCIPAL EVENTS .....	30
PART VII - PRESENTATION OF INFORMATION AND FORWARD-LOOKING STATEMENTS .....	31
PART VIII - INFORMATION ON THE GROUP .....	40
PART IX - DIRECTORS, SENIOR MANAGEMENT AND CORPORATE GOVERNANCE .....	64
PART X - INDUSTRY OVERVIEW .....	69
PART XI - REGULATORY FRAMEWORK .....	71
PART XII - FINANCIAL INFORMATION ON THE GROUP .....	72
PART XIII - OPERATING AND FINANCIAL REVIEW OF THE GROUP .....	73
PART XIV - CAPITALISATION AND INDEBTEDNESS STATEMENT .....	113
PART XV - RESERVES REPORT .....	115
PART XVI - DETAILS OF THE NEW SHARES ADMISSION .....	116
PART XVII - CREST, DEPOSITARY INTERESTS AND DEED POLL .....	118
PART XVIII - TAXATION .....	123
PART XIX - ADDITIONAL INFORMATION .....	129
PART XX - DEFINITIONS .....	155
PART XXI - GLOSSARY OF TECHNICAL TERMS .....	163

Part I  
-  
**SUMMARY**

This summary is made up of four sections and contains all the sections required to be included in a summary for this type of securities and issuer. Even though a sub-section may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the subsection. In this case, a short description of the sub-section is included in the summary with the mention of “not applicable”.

<b>A - INTRODUCTION AND WARNINGS</b>		
<b>Name and ISIN of the securities</b>	The securities being admitted to trading are Common Shares of no par value which will be registered with ISIN CA13643D1078 and SEDOL number BKRVMF4.	A11, 4.1
<b>Identity and contact details of the issuer</b>	The issuer is Canadian Overseas Petroleum Limited, and its registered address is Suite 400, 444 – 7 <sup>th</sup> Avenue S.W., Calgary, Alberta, Canada T2P 0X8. Its telephone number is +1 (403) 262 5441. The Company’s LEI is 213800QPF6H95J4ZAH31.	A1, 4.2
<b>The identity and contact details of the competent authority approving the prospectus</b>	The competent authority approving this Prospectus is the FCA. The FCA’s registered address is at 12 Endeavour Square, London E20 1JN, United Kingdom and telephone number is +44 (0)20 7066 1000.	LR 2.2.10 (2)(a)
<b>Date of approval of the prospectus</b>	The Prospectus was approved on 31 January 2023.	
<b>Warnings</b>	<b>THIS SUMMARY SHOULD BE READ AS AN INTRODUCTION TO THIS PROSPECTUS. ANY DECISION TO INVEST IN THE NEW SHARES SHOULD BE BASED ON CONSIDERATION OF THIS PROSPECTUS AS A WHOLE BY THE INVESTOR.</b> <b>THE INVESTOR COULD LOSE ALL OR PART OF THE INVESTED CAPITAL.</b> <b>CIVIL LIABILITY ATTACHES ONLY TO THOSE PERSONS WHO HAVE TABLED THIS SUMMARY INCLUDING ANY TRANSLATION THEREOF BUT ONLY WHERE THIS SUMMARY IS MISLEADING, INACCURATE OR INCONSISTENT WHEN READ TOGETHER WITH THE OTHER PARTS OF THIS PROSPECTUS OR IT DOES NOT PROVIDE, WHEN READ TOGETHER WITH THE OTHER PARTS OF THIS PROSPECTUS, KEY INFORMATION IN ORDER TO AID INVESTORS WHEN CONSIDERING WHETHER TO INVEST IN SUCH SECURITIES.</b>	
<b>B - KEY INFORMATION ON THE ISSUER</b>		
<b>Who is the issuer of the securities?</b>		
<b>Domicile and legal form</b>	Canadian Overseas Petroleum Limited is a public company incorporated and domiciled in Canada with registration number 420463-8. The principal legislation under which the Company was formed and under which the Company operates is the CBCA. The Company’s LEI is 213800QPF6H95J4ZAH31.	A1, 4.1 A1, 4.4 LR 2.2.1(1) A1, 5.1

<b>Principal activities</b>	<p>The Company is the holding company of the Group, which is engaged in the exploration, appraisal, development and production of oil and gas assets with producing assets and reserves principally in the state of Wyoming, United States where the Group is operator of three oil producing units in which the Group is the majority working interest owner. The Group's oil production and oil reserves in Wyoming, United States were acquired in 2021 and 2022.</p> <p>On 16 March 2021, the Company closed a previously announced acquisition of the Atomic Group pursuant to which, the Group acquired producing oil and gas assets in Wyoming, United States of America. This transaction was deemed to constitute a reverse takeover for the purposes of Listing Rule 5.6 and the Company was subsequently re-admitted to the standard listing segment of the Official List, and to trading on the main market for listed securities of the London Stock Exchange on 17 August 2021.</p> <p>On 26 July 2022, the Group acquired the Cuda Interests located in Wyoming from Cuda. The Group submitted bids on the Cuda Interests in a sales process mandated by a receivership order on Cuda and its affiliates by the courts in Alberta, Canada and by a recognition order for Cuda by the courts in Wyoming. The total cash consideration for the Cuda Acquisition was \$19.15 million, plus assumed liabilities of approximately \$1.6 million. The Group financed the Cuda Acquisition through proceeds from the July 2022 Placing.</p> <p>The Company has previously pursued opportunities in Nigeria and sub-Saharan Africa in partnership with Shoreline Energy International Limited ("<b>Shoreline</b>") as part of its ongoing strategy to diversify and balance its portfolio of assets but these efforts are currently on hold.</p> <p>On 13 September 2016, the Company and Shoreline, through their jointly-held affiliated company, Shoreline Canadian Overseas Petroleum Development Corporation ("<b>ShoreCan</b>") completed the purchase of 80% of the issued shares of Essar Nigeria (the "<b>OPL 226 Transaction</b>"). Essar Nigeria's sole asset is a 100% interest and operatorship of an oil prospecting license, located about 50 kilometres offshore in the central area of the Niger Delta ("<b>OPL 226</b>"). As part of the related shareholders agreement, ShoreCan agreed to cover the funding of Essar Nigeria's operations. Under the terms of a production sharing contract for OPL 226, Essar Nigeria is required to seek Nigerian Government ministerial consent for the change in control of Essar Nigeria, which is still outstanding. The Company awaits reports of further progress from its joint venture partners and the authorities in Nigeria and remains ready to engage. Meanwhile, the Company is focused on its producing assets in the USA.</p>
<b>Major shareholders</b>	As at 30 January 2023 (being the latest practicable date prior to publication of this Prospectus) in so far as is known to the Company based on public filings, no person, directly or indirectly, currently has, or will have an interest in ten percent (10%) or more of the Company's capital or voting rights. Anavio has an interest in approximately thirty five percent (35%) of the Company's capital or voting rights (on a fully diluted basis), assuming full conversion of the issued Bonds, the Warrants and assuming repayment of Conversion Payments in cash.
<b>Directors</b>	The Board as at the date of this Prospectus is comprised of Arthur S. Millholland, Robert Chenery, Harald Ludwig, Massimo Carello and John Cowan.
<b>Statutory auditors</b>	The Company's statutory auditors are Ernst & Young LLP, whose registered address is at Calgary City Centre 2200, 215 – 2 <sup>nd</sup> Street S.W, Calgary, Alberta, T2P 1M4, Canada.

A1, 16.1

A1, 2.1

What is the key financial information regarding the issuer?						
Selection of historical key financial information	The tables below set out selected key financial information for the Group for the nine months ended 30 September 2022 and 2021 (unaudited) and the financial years ended 31 December 2021, 2020 and 2019.					
	Income Statement Information					
		Nine months ended 30 September (unaudited)		Year ended 31 December (audited)		
	(000'USD)	2022	2021	2021	2020	2019
	Total revenue	11,149	(1,374)	2,398	-	-
	Total (expenses)	(28,391)	(10,651)	(15,934)	(4,961)	(3,919)
	Net (loss) for the financial period	(17,242)	(12,025)	(13,536)	(4,961)	(3,919)
	Balance Sheet Information					
		As at 30 September (unaudited)		As at 31 December (audited)		
	(000'USD)	2022	2021	2021	2020	2019
Total assets	114,849	86,603	98,778	6,992	748	
Equity (deficit)	37,307	29,247	35,011	(595)	(991)	
Cash Flow Statement Information						
	Nine months ended 30 September (unaudited)		Year ended 31 December (audited)			
(000'USD)	2022	2021	2021	2020	2019	
Net cash inflow (outflow) from operating activities	3,197	(10,550)	(7,758)	(3,899)	(2,857)	
Net cash used in investing activities	(27,337)	(46,908)	(58,746)	(5,177)	(5)	
Net cash from financing activities	22,329	67,611	72,967	10,309	1,068	
Brief description of any qualification in the audit reports	Not applicable. The audit reports on the historical financial information for the Group do not contain any qualifications for each of the years ended 31 December 2021, 2020 and 2019 included in this Prospectus.					
	The auditor’s report, prepared by EY, on the Company’s consolidated financial statements for each of the years ended 31 December 2021 and 2019 contain an emphasis of matter, which in summary draws attention to the fact (without qualifying the auditor’s opinion) that the Company does not have adequate financing to develop its operations and the Company is pursuing exploration projects and contracts that will require substantial additional financing before they are able to generate positive cash flows. As at 31 December 2021, the Company was in default on the Senior Credit Facility, for which the Company received Waivers subject to certain conditions. The auditor reported for each of the years in question that those factors, along with other factors described in the consolidated financial statements, indicated the existence of a material uncertainty that cast significant doubt about the Company’s ability to continue as a going concern, further details of which are set out in Note 2 to the Company’s 2021 and 2019 audited consolidated financial statements.					
What are the key risks that are specific to the issuer?						
Insufficient working capital	The Group does not have sufficient working capital for its present requirements. As at the date of this Prospectus, the Company anticipates that it will be required to obtain additional financing of approximately \$15.7 million in order to have sufficient working capital for the period of 12 months from the date of this Prospectus.					
	The Company believes that additional financing will be required by March 2023. With no assurance that further financing (by way of equity and/or debt) will be obtained, there is material uncertainty that casts significant doubt on the Group’s ability to continue as a going concern.					
Risk related to the Oil and Natural Gas Industry	The Group may experience delays in production, marketing and transportation. The level of the Wyoming Assets’ oil and gas reserves, their quality and production volumes may be lower than estimated or expected and infrastructure development and drilling costs may be higher than budgeted.					

<b>Risks relating to the economic dependence of the Group</b>	The Group is pursuing certain discretionary exploration projects and contracts at the Wyoming Assets and elsewhere that would require substantial additional financing before they are able to generate positive operating cash flows. Accordingly, the Group's ability to carry out additional exploration and developmental activities and obligations beyond the Wyoming Assets, both now and in the future are, and will be dependent on its ability to obtain additional financing and also on stable revenues from the Wyoming Assets.
<b>C - KEY INFORMATION ON THE SECURITIES</b>	
<b>What are the main features of the securities?</b>	
<b>Type, class and ISIN</b>	The securities being admitted to trading are Common Shares of the Company. The ISIN of the Common Shares is CA13643D1078 and SEDOL number is BKRWWF4. Securities issued by non-UK companies, such as the Company, cannot be held or transferred electronically in CREST.  The Company has established arrangements for the issuance of depositary interests to enable investors to settle interests representing underlying Common Shares through CREST. Depositary interests have the same ISIN as the underlying Common Shares and do not require a separate admission to trading on the London Stock Exchange.
<b>Currency, denomination, par value, number of securities issued, term</b>	Following the New Shares Admission, the price of the Common Shares will be quoted on the London Stock Exchange in pounds sterling. The Company has an issued share capital of 277,858,812 fully paid Common Shares of no par value each.
<b>Rights attached to the securities</b>	The Common Shares rank equally for voting purposes. On a show of hands, each Shareholder present has one vote and on a poll, each Shareholder has one vote per Common Share held. The Common Shares rank equally for dividends declared and for any distributions on a winding up.
<b>Relative seniority of the securities in the issuer's capital structure in the event of an insolvency</b>	Not applicable. The Company does not have any other securities in issue or liens over its assets other than in relation to the Wyoming Assets held by COPL America. Accordingly, the Common Shares are not otherwise subordinated in the Company's capital structure as at the date of this Prospectus, and will not be immediately following the New Shares Admission.
<b>Restrictions on the free transferability of the securities</b>	Not applicable. The Common Shares are freely transferable.
<b>Dividend or pay out policy</b>	The Company has never paid any dividends on its outstanding Common Shares. The Directors do not anticipate paying dividends in the near future. Payment of dividends in the future will be dependent on, among other things, the cash flow, results of operations and financial condition of the Company, the need for funds to finance ongoing operations and debt repayment and such other considerations as the Board considers relevant.
<b>Where will the securities be traded?</b>	
<b>Application for admission to trading</b>	Application will be made to the FCA and London Stock Exchange for the New Shares to be admitted to the standard listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that the New Shares Admission will become effective and that unconditional dealings will commence at 8:00am on 3 February 2023.
<b>Identity of other markets where the securities are or are to be traded</b>	The Common Shares will not be listed on any other regulated market.  The Common Shares are, and will continue following the New Shares Admission to be, listed and posted for trading on the CSE, where they are listed and posted for trading under the symbol "XOP".

LR 2.2.3  
LR 2.2.4(2)  
A11, 4.4

LR 2.2.4(1)  
A11, 4.8

A11, 4.7  
A11, 5.1

<b>What are the key risks that are specific to the securities?</b>	
<b>Risks relating to a return in the event of a winding up</b>	In the event of a winding-up of the Company, the Common Shares will rank behind any liabilities of the Company and therefore any return for Shareholders will depend on the Company's assets being sufficient to meet the prior entitlements of creditors.
<b>Risks relating to a return on investment</b>	The Company has never declared or paid any cash dividends on its Common Shares. The Company currently intends to retain future earnings, if any, for future operations and repayment of debt. Purchasers of Common Shares may therefore not receive any return on an investment in Common Shares unless they sell such Common Shares for a price greater than that which they paid for it.
<b>Volatility in the market price for the Common Shares</b>	The market price for the Common Shares has been, and may continue to be, subject to volatility including wide fluctuations in response to numerous factors including the Russian-Ukraine conflict, recessionary fears in the UK and other western economies, adverse changes to the United States governmental energy policy, many of which are beyond the Company's control.
<b>Risks relating to dilution</b>	The exercise of the Options or Warrants or the conversion or settlement of the Bonds into Common Shares may result in a dilution of Existing Shareholders' interests if the price per Common Share exceeds the subscription/conversion price payable at the relevant time.
<b>D - KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET</b>	
<b>Under which conditions and timetable can I invest in this security?</b>	
<b>General terms and conditions</b>	Not applicable. No securities are being offered or sold pursuant to this Prospectus.
<b>Expected timetable of the offer</b>	Publication of this document: 31 January 2023. New Shares Admission and commencement of unconditional dealings in the New Shares: 8:00am on 3 February 2023 (and not later than 8:00am on 10 February 2023).
<b>Details of admission to trading on a regulated market</b>	Application will be made for the New Shares to be admitted to the Standard Listing segment of the Official List and to trading on the main market of the London Stock Exchange. It is expected that the New Shares Admission will become effective and that unconditional dealings in the Common Shares will commence at 8:00am on 3 February 2023.
<b>Plan for distribution</b>	Not applicable. No securities are being offered or sold pursuant to this Prospectus.
<b>Amount and percentage of immediate dilution resulting from the offer</b>	In the event that all of the outstanding Warrants and Options are exercised and the Bonds issued pursuant to the July 2022 Placing and the Winter Bond Financing are converted and settled into Common Shares, Existing Shareholders will as a result, suffer a maximum aggregate dilution of approximately 0.88 Common Shares for every one Common Share they currently own, which is equivalent to a dilution of approximately 47 per cent.
<b>Estimate of total expenses of the issue and/or offer</b>	Not applicable. No securities are being offered or issued pursuant to this Prospectus.
<b>Why is this prospectus being produced?</b>	
<b>Reasons for the offer or for the admission to trading on a regulated market</b>	This Prospectus is being produced pursuant to the Prospectus Regulation Rules in connection with the application to be made by the Company for the New Shares to be admitted to trading on the Main Market of the London Stock Exchange with a standard listing.
<b>Is the offer subject to an underwriting agreement</b>	Not applicable. No securities are being offered or sold pursuant to this Prospectus.

A11, 5.1

A11, 8.1

<b>Material conflicts of interest</b>	Not applicable.
---	-----------------



Part II

**INFORMATION INCORPORATED BY REFERENCE**

The table below sets out the documents, or the various sections of documents, which are incorporated by reference into this Prospectus, so as to provide the information required pursuant to the Prospectus Regulation Rules and to ensure that potential investors are aware of all information which, according to the particular nature of the Company and of the Common Shares, is necessary to enable potential investors to make an informed assessment of the assets and liabilities, profits and losses, financial position and prospects of the Company and the rights attaching to the New Shares and the reasons for the issuances and its impact on the Company.

A11, 10.2

Any documents referred to below may themselves incorporate by reference or refer to any other documents or information (“**Daisy-Chained Information**”). Any such Daisy-Chained Information is not incorporated by reference into, or otherwise form part of, this Prospectus for the purposes of the UK Prospectus Regulation.

<b>Reference document</b>	<b>Information incorporated by reference into this Prospectus</b>	<b>Page numbers in reference document</b>
Consolidated Financial Statements as at and for the years ended 31 December 2021 and 2020	The consolidated financial statements of the Group as at and for the years ended 31 December 2021 and 2020, and published by the Company on its website and available to view at the following link: <a href="https://www.canoverseas.com/wp-content/uploads/2022/04/COPL-Q4-2021-FS_Mar31-FINAL.pdf">https://www.canoverseas.com/wp-content/uploads/2022/04/COPL-Q4-2021-FS_Mar31-FINAL.pdf</a>	All
Consolidated Financial Statements as at and for the years ended 31 December 2020 and 2019	The consolidated financial statements of the Group as at and for the years ended 31 December 2020 and 2019, and published by the Company on its website and available to view at the following link: <a href="https://www.canoverseas.com/wp-content/uploads/2021/09/COPL-2020-FS_Final.pdf">https://www.canoverseas.com/wp-content/uploads/2021/09/COPL-2020-FS_Final.pdf</a>	All
Unaudited Condensed Interim Consolidated Financial Statements as at and for the nine month periods ended 30 September 2022 and 2021	The unaudited condensed interim consolidated financial statements of the Group as at 30 September 2022 and for the nine month periods ended 30 September 2022 and 2021, and published by the Company on its website and available to view at the following link: <a href="https://www.canoverseas.com/wp-content/uploads/2022/11/COPL-Q3-2022-FS_Nov14-FINAL.pdf">https://www.canoverseas.com/wp-content/uploads/2022/11/COPL-Q3-2022-FS_Nov14-FINAL.pdf</a>	All

Part III  
-  
**RISK FACTORS**

A1, 3.1  
A11, 2.1

*Any investment in the Common Shares is speculative and subject to a high degree of risk. Prior to investing in the Common Shares, prospective investors should consider carefully the factors and risks associated with any investment in the Common Shares, the Group's business and the industry in which it operates, together with all other information contained in this Prospectus including, in particular, the risk factors described below. Following the occurrence of any such event, there could be a material adverse effect on the Company's business, prospects, financial condition or results of operations, the value of the Common Shares could decline and investors could lose all or part of their investment.*

*Prospective investors should note that the risks relating to the Group, its industry and the Common Shares summarised in Part I (Summary Information) of this Prospectus are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Common Shares. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in Part I (Summary Information) of this Prospectus but also, among other things, the risks and uncertainties described below.*

*The risks and uncertainties discussed below and elsewhere in this Prospectus are not the only ones facing the Company. Additional risks and uncertainties not presently known to the Company or which the Company currently considers immaterial may also impair the business and operations of the Company and cause the value of the securities of the Company to decline. If any of the risks previously referred to in this paragraph actually occur, the Company's business may be harmed and the financial condition and results of operation of the Company may suffer significantly. In that event, the trading price of the Company's securities could decline and investors may lose all or part of their investment. Prospective investors should review the risks with their legal and financial advisors and should carefully consider, in addition to the matters set forth elsewhere in this Prospectus, the following risks. An investment in the securities of the Company is suitable only for purchasers who are aware of such risks and who have the ability and willingness to accept the risk of total loss of their invested capital.*

*An investment in the Company should be considered speculative due to the nature of its activities and the present stage of its development.*

**In this Part III, references to "the Company" shall also, where the context admits be deemed to include a reference to the Group.**

**1. RISKS RELATED TO THE GROUP'S BUSINESS**

**1.1 Insufficient Working Capital and Going Concern**

The Group does not have sufficient working capital for its present requirements, that is, for at least the next 12 months from the date of this Prospectus, and does not have cash inflows and/or adequate financing to continue its operations. As at the date of this Prospectus, the Company anticipates that it will have an immediate working capital shortfall and that it will require approximately \$15.7 million to cover operations for at least the next 12 months from the date of this Prospectus. The Company primarily intends to raise the required additional capital through equity fundraisings or other financing. Accordingly, the Company's continued operation, planned growth and future development activities are dependent on its ability to obtain additional financing. There is no assurance that the Company will be able to obtain adequate financing in the future, or that such financing will be obtained on terms advantageous to the Company.

The Group currently does not have sufficient working capital to cover forecasted administrative expenses for next 12 months. With no assurance that financing will be obtained in 2023, there is material uncertainty that casts significant doubt on the Group's ability to continue as a going concern. If the Company is unable to raise the financing required by the end of March 2023, the Company will likely look to restructure its affairs under the Companies' Creditors Arrangement Act, RSC 1985, c C-36 with the supervision of a court appointed monitor and court ordered protection against creditors similar to an administration process in the United Kingdom.

## 1.2 ***Operating Cash Flow***

In 2020 and prior years, the Company did not have material cash inflows. In 2021, the Company raised additional equity financing, secured debt financing and closed the Atomic Acquisition. In July 2022, the Company acquired further working interests in its Wyoming Assets upon closing the Cuda Acquisition. As a result, the enlarged Company generated positive operating cash inflows in 2022 which is expected to continue from COPL America's oil production activities, for which exposure to commodity pricing risk is managed through risk management contracts until December 2024. However, the level of the Company's indebtedness, and the level of indebtedness relative to the Company's ability to generate cash flow, and the impact of the Company's risk management contracts, from time to time, could impair its ability to obtain additional financing on a timely basis to take advantage of business opportunities that may arise and could negatively affect its credit ratings. As at the date of the Prospectus, the Company has insufficient working capital and will need to raise an additional funding of approximately \$15.7 million to cover its operating expenses for 12 months from the date of this Prospectus. At current general and administrative cost levels and taking into account the Company's current working capital, the Group will not be able to continue without additional capital or a further reduction of operating costs in the interim.

## 1.3 ***Exploration, Development and Production Risks***

Oil and natural gas operations involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. The long-term commercial success of the Group depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. Without the continual addition of new reserves, any existing reserves the Group may have at any particular time and the production therefrom will decline over time as such existing reserves are exploited. A future increase in the Group's reserves will depend not only on its ability to explore and develop any existing properties it may have from time to time, but also on its ability to select and acquire suitable producing properties or prospects. No assurance can be given that the Group will be able to continue to locate satisfactory properties for acquisition or participation on economically favourable terms or at all. Moreover, if such acquisitions or participations are identified, management of the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participations uneconomic. There is no assurance that further commercial quantities of oil and natural gas will be discovered or acquired by the Group.

Future oil and natural gas exploration may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs and taxes, royalties or their equivalents. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells. These conditions include delays in obtaining governmental approvals or consents, shut-ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions.

While diligent well supervision and effective maintenance operations can contribute to maximizing production rates over time, production delays and declines from normal field operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels to varying degrees. Oil and natural gas exploration, development and production operations are subject to all the risks and hazards typically associated with such operations, including hazards such as fire, explosion, blowouts, cratering, sour gas releases and spills, any of which could result in substantial damage to oil and natural gas wells, production facilities, other property and the environment or in personal injury. In accordance with industry practice, the Group is not fully insured against all of these risks, nor are all such risks insurable. Although the Group maintains liability insurance in an amount that they consider consistent with industry practice, the nature of these risks is such that liabilities could exceed policy limits, in which event the Group could incur significant costs that could have a material adverse effect upon its financial condition. Oil and natural gas production operations are also subject to all the risks typically associated with such operations, including encountering unexpected formations or pressures, premature decline of reservoirs and the invasion of water into producing formations, with losses resulting from the occurrence of any of these risks.

## 1.4 ***Volatility of Crude Oil and Natural Gas Prices***

The Group's strategy is to explore for and/or appraise oil and gas properties which could then lead to eventual development. Crude oil and natural gas are commodities that are sensitive to numerous worldwide factors, many of which are beyond the Group's control, and are generally sold at contract or posted prices. Consequently, such prices may affect the value of the Group's oil and gas properties and the level of spending for oil and natural gas exploration and development.

Volatility in world crude oil and natural gas prices may further significantly affect the Group's ability to source financing for the Group's operations including the Company's plan to increase production from its Wyoming Assets, and if able to do so, such financing may be on unfavourable or highly dilutive terms.

#### 1.5 ***Economic Dependence***

COPL's ability to repay its debt in accordance with its terms is dependent on the revenue streams from the Wyoming Assets.

Oil production at the Wyoming Assets is sold, at present, pursuant to a single short-term contract with a national oil marketing and transportation company, at market-based rates. The region surrounding the Wyoming Assets benefits from significant infrastructure, including multiple pipelines and service providers who are able to handle logistics for oil sales. The Group has also entered into risk management contracts to manage exposure to commodity pricing risk with a single arm's length party by way of derivative contracts on butane and oil, until 29 February 2024. For more details refer below to "*Risk Factors – Marketability of Crude Oil and Natural Gas*".

The Group's interest in Nigeria is dependent on the terms of the oil prospecting license OPL 226 offshore Nigeria. ShoreCan will hold a net 10% interest following the Essar Transaction which could subject ShoreCan to various risks as a minority shareholder in Essar Nigeria, should the Essar Transaction be completed.

#### 1.6 ***Possible Failure to Realise Anticipated Benefits of Acquisitions***

The Company closed the Atomic Acquisition on 16 March 2021 whereby it acquired the Atomic Assets located in the Powder River Basin in Wyoming, United States. The Company closed the Cuda Acquisition on 26 July 2022 whereby it acquired the Cuda Interests located in Wyoming, United States.

COPL has entered into a share purchase agreement, pursuant to which it will hold, on completion, a 10% economic interest in OPL 226 subject to the terms of Licence for OPL 226 through its 50% ownership in ShoreCan.

COPL may complete other acquisitions in the future with a view to strengthening its position in the oil and natural gas industry and to create the opportunity to realise certain benefits. Achieving the benefits of these acquisitions depends in part on factors outside of the Group's control.

The consideration and rationale for acquisitions is based in large part on engineering, environmental and economic assessments made by the Group, independent engineers and consultants. These assessments include a series of assumptions regarding such factors as recoverability and marketability of oil and gas, environmental restrictions and prohibitions regarding releases and emissions of various substances, future prices of oil and gas and operating costs, future capital expenditures and royalties and other government levies which may be imposed. Many of these factors are subject to change and are beyond the control of the Group. All such assessments involve a measure of geologic, engineering, environmental and regulatory uncertainty that could result in lower production and reserves or higher operating or capital expenditures than anticipated.

#### 1.7 ***Unforeseen Title Defects and Disputes***

Although title and environmental reviews are conducted prior to any purchase of resource assets, such reviews cannot guarantee that any unforeseen defects in the chain of title will not arise to defeat the Group's title to certain assets or that environmental defects or deficiencies do not exist. If this type of defect were to occur, the Company's entitlement to the production and reserves and, if applicable, resources from the purchased assets could be jeopardized. Furthermore, from time to time, the Company may have disputes with industry partners as to ownership rights of certain properties or resources, including with respect to the validity of oil and gas leases held by the Group or with respect to the calculation or deduction of royalties payable on the Group's production. Such deficiencies or defects could result in a reduction of the value of an investment in the Company.

#### 1.8 ***Foreign Operations***

The Group carries on its business in the United States and plans to carry on its business in other foreign countries, where exploration for and exploitation, production and sale of oil and gas are subject to extensive laws and regulations, including complex tax laws and environmental laws and regulations. As such, the Group's business, prospects, financial condition or results of operations could be significantly affected by risks over which it has no control. These risks may include risks related to economic, social or political instability or change, government intervention relating to the oil and gas industry, expropriation, actions by terrorist or insurgent groups, war, civil unrest, security issues, hyperinflation, currency non-convertibility or instability and changes of laws affecting foreign ownership or foreign investors, interpretation or renegotiation of existing contracts, government participation, taxation policies, including royalty and tax increases and retroactive tax claims, and investment restrictions, working conditions, rates of exchange, exchange controls, exploration licensing,

petroleum and export licensing and export duties, government control over domestic oil and gas pricing, currency fluctuations, devaluation or other activities that limit or disrupt markets and restrict payments or the movement of funds, the possibility of being subject to exclusive jurisdiction of foreign courts in connection with legal disputes relating to licences to operate and concession rights in countries where the Group currently operates, and difficulties in enforcing the Group's rights against a governmental agency because of the doctrine of sovereign immunity and foreign sovereignty over international operations. Problems may also arise due to the quality or failure of locally obtained equipment or technical support, which could result in failure to achieve expected target dates for exploration operations or result in a requirement for greater expenditure.

#### 1.9 ***The Group plans to do business in other foreign countries, with inherent risks relating to fraud, bribery and corruption***

Fraud, bribery and corruption are more common in some jurisdictions than in others. The Group plans to carry on its business in certain jurisdictions that have been allocated low scores on Transparency International's "Corruption Perceptions Index". Doing business in international developing markets brings with it inherent risks associated with enforcement of obligations, fraud, bribery and corruption. In addition, the oil and gas industries have historically been shown to be vulnerable to corrupt or unethical practices.

The Group uses its best efforts to prevent the occurrence of fraud, bribery and corruption, but it may not be possible for the Group to detect or prevent every instance of fraud, bribery and corruption in every jurisdiction in which its employees, agents, sub-contractors or joint venture partners are located. The Group may therefore be subject to civil and criminal penalties and to reputational damage. Participation in corrupt practices, including the bribery of foreign public officials, by the Group, its subsidiaries or other predecessors in interest, whether directly or indirectly (through agents or other representatives or otherwise) may also have serious adverse consequences on the rights and interests of the Group, including but not limited to title to government contracts, licenses and concessions, including PSCs.

Instances of fraud, bribery and corruption, and violations of laws and regulations in the jurisdictions in which the Group operates, could have a material adverse effect on its business, prospects, financial condition or results of operations. In addition, as a result of the Group's anti-corruption training programs, codes of conduct and other safeguards, there is a risk that the Group could be at a commercial disadvantage and may fail to secure contracts within jurisdictions that have been allocated a low score on Transparency International's "Corruption Perceptions Index" to the benefit of other companies who may not have or comply with such anti-corruption safeguards.

#### 1.10 ***Permits, Licences, Approvals and Authorisations***

AI, 5.5  
TN, 132(c)

The operations of the Group require permits, licences, approvals and authorisations from various governmental and non-governmental authorities. Such permits, licences, approvals and authorisations are subject to the discretion of the applicable governmental and non-governmental authorities. The Group must comply with existing standards, laws and regulations, as applicable, that may entail greater or lesser costs and delays, depending on the nature of the activity to be permitted and the permitting authority. By way of example, the DPR in Nigeria takes the view that ShoreCan's previous acquisition of 80% of the issued share capital of Essar Nigeria, described in greater detail below, requires ministerial consent in order to effectively transfer the interest in OPL 226 owned by Essar Nigeria. Application for consent has been filed and ShoreCan is awaiting the outcome which the Directors believe consent will be forthcoming. There can be no assurance that the Group will be able to obtain all necessary permits, licences, approvals or authorisations. Failure to obtain such licences, permits, approvals or authorisations may have a material adverse effect on the Group's business, prospects, financial condition or results of operations. The Group's intended activities will be dependent on such permits, licences, approvals and authorisations which, if obtained, could subsequently be withdrawn or made subject to limitations. Failure to obtain Nigerian ministerial consent for the OPL 226 Transaction could result in ShoreCan being required to dispose of its shareholding in Essar Nigeria (pursuant to the OPL 226 Transaction) although the Directors believe they might also have a range of other options to satisfy any ministerial concerns about OPL 226 such as bringing in another farm-in partner. There can be no guarantee as to the terms of any such permits, licences, approvals and authorisations that future permits, licences, approvals and authorisations will be renewed or, if so, on what terms when they come up for renewal. Properties in the jurisdiction in which the Group currently carries on business are subject to licence requirements, which generally include, inter alia, certain financial commitments which, if not fulfilled, could result in the suspension or ultimate forfeiture of the relevant licences. Government action, which could include non-renewal of licences (or cancellation of certain Wyoming licenses due to failure to meet minimum work requirements because of working capital shortfalls), may result in any income receivable by the Group or licences held by the Group being adversely affected. In particular, changes in the application or interpretation of laws and/or taxation provisions in the regions in which it carries on business could adversely affect the value of the Group's interests.

### 1.11 *Expiration of License and Leases*

TN, 132(c)  
AI, 5.5

The Company's properties are held in the form of licences and leases and working interests in licences and leases. If the Company or the holder of the licence or lease fails to meet the specific requirement of a licence or lease, the licence or lease may terminate or expire. Currently, approximately 7,000 hectares of leases at BFDU Unit will expire if certain commitments are not met by 14 March 2023.

Certain of the Company's fee leases have options for extension. These generally provide for an additional 2-3 years of lease term in exchange for a payment equal to the original bonus paid for the lease, subject to commercial negotiation.

The BLM and Wyoming State leases do not contain such options and expire at the end of their primary term when lacking production in paying quantities from a portion of the lease. The BLM and Wyoming State will not negotiate extensions as they are required to offer leases at competitive sales. It may be possible to "extend" BLM leases by submitting drilling permits 60-90 days before the lease is set to expire and requesting that the BLM suspend the lease until said permit is approved. This would allow the Company to drill and produce the lease, thus maintaining it beyond its expiration.

COPL America is in active dialogue with the BLM regarding a possible extension for these leases and will pursue available options to extend. Currently, the acreage to be relinquished does not contain any reserves. There is no guarantee that an extension may be granted by 14 March 2023. Delays in the availability for delivery of casing (steel) and company funding are the primary drivers for a delay and possible relinquishment of these lands.

### 1.12 *Changes in government policy could have a negative impact on the Group's business*

AI, 9.1

Governments of oil and gas producing jurisdictions typically exercise significant influence over their domestic oil and gas industries, as well as many other aspects of their respective economies. Government policy may change to discourage foreign investment or restrictions and requirements not currently foreseen may be implemented. There can be no assurance that the Group's assets and properties will not be subject to nationalization, expropriation, requisition or confiscation, whether legitimate or not, by any authority or body. Similarly, the Group's operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property or environmental legislation. Similarly, the Group's operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property or environmental legislation. Any government action concerning the economy, including the oil and gas industry (such as a change in oil or gas pricing policy or taxation rules or practice, or renegotiation or nullification of existing concession contracts or oil and gas exploration policy, laws or practice), could have a material adverse effect on the Group. Sovereign or regional governments could also require the Group to grant to them larger shares of oil and gas properties or revenues than previously agreed to, or postpone or review projects, nationalize assets, or make changes to laws, rules, regulations or policies, in each case, which could adversely affect the Group's business, prospects, financial condition or results of operations.

### 1.13 *"Resources" vs. "Reserves"*

Throughout this Prospectus, the Group has attempted to provide an appreciation of the potential that the Group's asset base offers. In doing so, the Group often uses the terms "resource" or "resources". These terms refer to the estimated original resource size of a particular prospect. The distinction between contingent and prospective resources relates to the discovery status of the accumulation while the distinction between contingent resources and reserves relates to chance of commerciality of the accumulation. Commerciality is not solely determined based on the economic status of a project which refers to the situation where the income from an operation exceeds the expenses involved in, or attributable to, that operation. Conditions addressed in the determination of commerciality also include technological, economic, legal, environmental, social, and governmental factors. While economic factors are generally related to costs and product prices, the underlying influences include, transportation and processing infrastructure, fiscal terms and taxes.

The terms "resource" or "resources" should be distinguished from reserves. Reserves are the amount of hydrocarbons that are estimated to be economically recoverable from a particular resource base from a given date forward. Ultimate recoverable reserves can range widely depending on resource characteristics, available technologies and economic and contractual parameters. The Group distinguishes between proved (1P) reserves and proved plus probable (2P) reserves. As of the date of this Prospectus, the Group's only reserves relate to part of the Wyoming Assets.

#### 1.14 *Estimates of Resources*

The resources estimates presented in this prospectus have been classified as contingent and prospective resources. The resources estimates in this prospectus are estimates only. There is no certainty that any portion of the prospective resources will be discovered. Additionally, there is no certainty that it will be commercially viable to produce any portion of the contingent resources or, if discovered, any portion of the prospective resources. Investors are cautioned that the quantities presented are estimates only and should not be construed as being exact quantities. The Group's proposed exploration programme in Nigeria must be considered as a high risk exploration play.

#### 1.15 *Reserves Estimates*

There are numerous uncertainties inherent in estimating reserves and the future net revenues attributed to such reserves. The reserves and associated net revenue information set forth in this Prospectus are estimates only. Generally, estimates of economically recoverable oil and natural gas reserves (including the breakdown of reserves by product type) and the future net revenues from such estimated reserves are based upon a number of variable factors and assumptions, such as:

- historical production from properties;
- production rates;
- ultimate reserve recovery;
- timing and amount of capital expenditures;
- marketability of oil and natural gas;
- actual realized price of oil and gas;
- royalty rates; and
- the assumed effects of regulation by governmental agencies and future operating costs (all of which may vary materially from actual results).

For those reasons, estimates of the economically recoverable oil and natural gas reserves attributable to any particular group of properties, classification of such reserves based on risk of recovery and estimates of future net revenues associated with reserves prepared by different engineers, or by the same engineers at different times may vary. Actual production, revenues, taxes and development and operating expenditures with respect to the Group's reserves will vary from estimates and such variations could be material.

The estimation of Proved Reserves that may be developed and produced in the future is often based upon volumetric calculations and upon analogy to similar types of reserves rather than actual production history. Recovery factors and drainage areas are often estimated by experience and analogy to similar producing pools. Estimates based on these methods are generally less reliable than those based on actual production history. Subsequent evaluation of the same reserves based upon production history and production practices will result in variations in the estimated reserves and such variations could be material. Some of the Group's producing wells have a limited production history and thus there is less historical production on which to base the reserves estimates. In addition, a significant portion of the Group's reserves may be attributable to a limited number of wells and, therefore, a variation in production results or reservoir characteristics in respect of such wells may have a significant impact upon the Group's reserves.

In respect of the Group's Wyoming Assets, Ryder Scott has used forecast prices and costs in estimating the reserves and future net revenues as summarized herein. Actual future net revenues will be affected by other factors, such as the COVID-19 pandemic, actual production levels, supply and demand for oil and natural gas, curtailments or increases in consumption by oil and natural gas purchasers, changes in governmental regulation or taxation and the impact of inflation on costs.

The reserve estimates in the Ryder Scott Report are based on escalating price parameters. As a result of both economic and political forces, there is significant uncertainty regarding the forecasting of future hydrocarbon prices. Recoverable reserves and the income attributable thereto have a direct relationship with hydrocarbon prices actually received; therefore, volumes of reserves actually recovered and amounts of income actually received may differ significantly from the estimated quantities presented therein.

Actual production and net revenues derived from our oil and natural gas reserves will vary from the estimates contained in the reserve evaluation, and such variations could be material. The reserve evaluation is based in part on the assumed success of activities the Group intends to undertake in future years. The reserves and estimated net revenues to be derived therefrom and contained in the reserve evaluation will be reduced to the extent that such activities do not achieve the level of success assumed in the reserve evaluation. The reserve evaluation is effective as of 31 July 2022 and, except as may be specifically stated herein, has not been updated and therefore does not reflect changes in our reserves since that date.

#### 1.16 ***Status and Stage of Development***

The Group currently has no production in Nigeria. There can be no assurance that any of the Group's properties in this country will commence production, generate earnings, operate profitably or provide a return on investment in the future.

There is a risk that none of the proposed exploration, appraisal or development of the Group's assets will be completed on time or within the applicable capital cost estimates or at all. Additionally, there is a risk that proposed projects may experience delays, interruption of operations or increased costs due to many factors, including, without limitation:

- breakdown or failure of equipment or processes;
- construction performance falling below expected levels of disruptions or declines in productivity;
- design errors;
- contractor or operator errors;
- non-performance by third party contractors;
- labour disputes;
- disruptions or declines in productivity;
- increases in materials or labour costs;
- inability to attract sufficient numbers of qualified workers;
- delays in obtaining, or conditions imposed by, regulatory approvals;
- changes in project scope;
- violation of permit requirements;
- disruption in the supply of energy and other inputs, including natural gas and diluents;
- catastrophic events such as fires, earthquakes, storms or explosions; and
- numerous factors, many of which are beyond the Group's control, could impact the Group's ability to explore and develop these assets and the timing thereof, including the risk factors set forth elsewhere in this Prospectus.

#### 1.17 ***Increase in Drilling Costs and the Availability of Drilling Equipment***

The oil and gas industry historically has experienced periods of rapid cost increases. Increases in the cost of exploration and development would affect the Group's ability to invest directly or indirectly in prospects and to purchase or hire equipment, supplies and services. In addition, the availability of drilling rigs and other equipment and services is affected by the level and location of drilling activity around the world. An increase in drilling operations outside or in the Group's intended area of operations may reduce the availability of equipment and services to the Group and to the companies with which it operates. The reduced availability of equipment and services may delay the Group's ability, directly or indirectly, to exploit reserves and adversely affect the Group's operations and profitability.

#### 1.18 ***Reliance on Key Individuals***

Although the Group has experienced senior management and personnel, the Group is substantially dependent upon the services of a few key personnel. The loss of services of these individuals could have a material adverse effect on the business of the Group. Competition for qualified personnel in the oil and gas industry markets is intense, and the Group may be unable to attract or retain highly qualified individuals, or its key personnel, in the future. The rate of growth of the Group's operations and personnel may strain operating and control systems.



#### 1.19 ***Marketability of Crude Oil and Natural Gas***

The marketability and price of oil and natural gas will be affected by numerous factors beyond the control of the Group. The Group will be affected by the differential between the price paid by refiners for light quality oil and the medium grades of oil which may be produced by the Group. The ability of the Group to market its oil and natural gas may depend upon its ability to acquire access to production facilities and space on pipelines. The Group will also be subject to market fluctuations in the prices of oil and natural gas, deliverability uncertainties related to the proximity of its reserves to pipeline and processing facilities and extensive government regulation relating to price, taxes, royalties, land tenure, allowable production, the export of oil and natural gas and many other aspects of the oil and natural gas business. Following the Atomic Acquisition, the Company entered into risk management contracts effective until 31 December 2024 to manage the Atomic Group's exposure to commodity pricing risk on a majority of its production.

#### 1.20 ***Availability of Equipment and Access Restrictions***

Oil and natural gas exploration and development activities are dependent on the availability of drilling equipment in the particular areas where such activities will be conducted as well as production equipment, such as pipe for pipelines, manifolds, valves, compressors and other equipment, which may be unavailable or subject to long lead times between order and delivery. Similarly, installation of production equipment and operation of drilling rigs onshore and offshore is highly dependent on a wide range of service providers, many of which are in limited supply. Demand for such limited equipment, access restrictions and availability of service providers may delay exploration, development and production activities.

#### 1.21 ***Nature of Reserves and Additional Funding Requirements***

Obtaining future production from proven undeveloped, probable and possible reserves, and the development of properties where oil is discovered, are each conditional on the availability of additional financing to fund the specific capital expenditures necessary to develop the reserves or develop the properties. Although the timing of these expenditure requirements are completely discretionary, such additional financing may not be available when needed and, if available, may not be available on favourable terms. The ability of the Group to arrange such financing in the future will depend in part upon the prevailing capital market conditions. There can be no assurance that the Group will be successful in its efforts to arrange additional financing. If adequate funds are not available, the Group may not be able to take advantage of opportunities, or otherwise respond to competitive pressures and remain in business.

#### 1.22 ***Project Risks***

The Group may manage in the future a variety of prospective small and large projects in the conduct of its business. Project delays may delay expected revenues from operations. Significant project cost over-runs could make a project uneconomic. The Group's ability to execute projects and market oil and natural gas depends upon numerous factors beyond the Group's control, including:

- the availability of processing capacity;
- the availability and proximity of pipeline capacity;
- the availability of storage capacity;
- the supply of, and demand for, oil and natural gas;
- the availability of alternative fuel sources;
- the effects of inclement weather;
- the availability of drilling and related equipment;
- unexpected cost increases;
- accidental events;
- currency fluctuations;
- changes in regulations;
- the availability and productivity of skilled labour; and
- the regulation of the oil and natural gas industry by various levels of government and governmental agencies.

As a result of these factors, the Group could be unable to execute projects on time, on budget or at all, and may not be able to effectively market the oil and natural gas that it produces.

1.23 ***The Group may experience delays in production, marketing and transportation.***

Various production, marketing and transportation conditions may cause delays in gas, natural gas liquids and oil production and adversely affect the Group's business. For example the Wyoming Assets' gas transportation systems connect to other pipelines or facilities which are owned and operated by third parties. These pipelines and other midstream facilities and others upon which the Group relies for the supply of gas or natural gas liquids and sale of oil production, may become unavailable because of testing, turnarounds, line repair, reduced operating pressure, lack of operating capacity, regulatory requirements, curtailments of receipt or deliveries due to insufficient capacity or because of damage. The lack of availability of capacity on third-party systems and facilities could reduce the price offered for the Group's production or result in the shut-in of producing wells. Any significant changes affecting these infrastructure systems and facilities, as well as any delays in constructing new infrastructure systems and facilities, could delay the Group's production, which could negatively impact the Group's business, results of operations, financial condition or prospects.

1.24 ***The Group faces production risks and hazards that may affect its ability to produce gas, natural gas liquids and oil at expected levels, quality and costs and that may result in additional liabilities to the Group.***

The Wyoming Assets' production operations are subject to numerous risks common to its industry, including, but not limited to, premature decline of reservoirs, incorrect production estimates, invasion of water into producing formations, geological uncertainties such as unusual or unexpected rock formations and abnormal geological pressures, low permeability of reservoirs, contamination of gas and oil, blowouts, oil and other chemical spills, explosions, fires, equipment damage or failure, natural disasters, uncontrollable flows of oil, gas or well fluids, adverse weather conditions, shortages of skilled labour, delays in obtaining regulatory approvals or consents as well as pollution and other environmental risks. If any of the above events occur, environmental damage, including biodiversity loss or habitat destruction, injury to persons or property and other species and organisms, loss of life, failure to produce gas, natural gas liquids and oil in commercial quantities or an inability to fully produce discovered reserves could result. These events could also cause substantial damage to the Group's property and its reputation and put at risk some or all its interests in licences, which enable the Group to produce, and could result in incurrence of fines or penalties, criminal sanctions potentially being enforced against the Group and its management, as well as other governmental and third-party claims. Consequent production delays and declines from normal field operating conditions and other adverse actions taken by third parties may result in revenue and cash flow levels being adversely affected. Moreover, should any of these risks materialize, the Group could incur legal defence costs, remedial costs and substantial losses, including those due to injury or loss of life, human health risks, severe damage to or destruction of property, natural resources and equipment, environmental damage, unplanned production outages, clean-up responsibilities, regulatory investigations and penalties, increased public interest in the Group's operational performance and suspension of operations.

1.25 ***Third Party Credit Risk***

The Group may be exposed to third party credit risk through its contractual arrangements with its current or future joint venture partners, marketers of its petroleum and natural gas production and other parties. In the event such entities fail to meet their contractual obligations to the Group, such failures may have a material adverse effect on the Group's business, financial condition, results of operations and prospects. In addition, poor conditions in the industry and of joint venture partners may impact a joint venture partner's willingness to participate in the Group's ongoing capital programme, potentially delaying the programme and the results of such programme until the Group finds a suitable alternative partner.

1.26 ***Operating Hazards and Other Uncertainties***

Acquiring, developing, exploring for and producing oil and natural gas involves many risks. These risks include encountering unexpected formations or pressures, premature declines of reservoirs, blow-outs, equipment failures and other accidents, craterings, sour gas releases, uncontrollable flows of oil, natural gas or well fluids, adverse weather conditions and environmental risks. The Group maintains insurance in accordance with customary industry practice, though the Group cannot fully insure against all of these risks. Losses resulting from the occurrence of these risks could have a material adverse impact on the Group's business, prospects, financial condition and/or results of operations.

1.27 ***The Group cannot accurately predict its future decommissioning liabilities***

The Group, through its lease and license interests, has assumed certain obligations in respect of the decommissioning of its wells, fields, pipelines and related infrastructure. “Decommissioning” as referred to in this risk factor includes plugging and closing wells, removing surface infrastructure, remediating any contamination and restoring the land for future use. These liabilities are derived from legislation and regulatory requirements concerning the decommissioning of wells, pipelines and production facilities and require the Group to make provisions for, assume and/or underwrite the liabilities relating to such decommissioning. It is difficult to accurately forecast the costs that the Group will incur in satisfying its decommissioning obligations. When its decommissioning liabilities crystallise, the Group will be liable either on its own or jointly and severally liable for them with any other former or current partners in the field. In the event that it is jointly and severally liable with other partners and such partners default on their obligations, the Group will remain liable and its decommissioning liabilities could be increased significantly through such default. Any such increase in the actual or estimated decommissioning costs that the Group incurs may adversely affect its financial condition. Furthermore, as the infrastructure at the Wyoming Assets is relatively new with short or medium term limited decommissioning risk, the Group cannot guarantee to what extent, if any, it can contribute towards the decommissioning risk as it progresses the drilling of new wells as anticipated from 2023 onwards.

1.28 ***Competition***

A1, 5.6

The oil and gas industry is highly competitive, particularly as it pertains to the search for and development of, new sources of crude oil and natural gas reserves, the construction and operation of crude oil and natural gas pipelines and facilities, and the transportation and marketing of crude oil, natural gas, sulphur and other petroleum products. Competitors include major integrated oil and gas companies and numerous other independent oil and gas companies, many of which have greater financial and other resources than the Group. The oil and natural gas industry is intensely competitive and the Group must compete in all aspects of its operations with a substantial number of other companies which may have greater technical or financial resources.

The Group competes for the acquisition, exploration, production and development of oil and natural gas properties, for capital to finance such activities and for skilled industry personnel and the Group’s competitors include companies that have greater financial and personnel resources available to them. The Group’s competitors include major integrated oil and natural gas companies and numerous other independent oil and natural gas companies and individual producers and operators.

The Group’s ability to successfully bid on and acquire additional property rights, to discover reserves, to participate in drilling opportunities and to identify and enter into commercial arrangements with customers will be dependent upon developing and maintaining close working relationships with its future industry partners and joint operators, and its ability to select and evaluate suitable properties and to consummate transactions in a highly competitive environment. Hiring and retaining technical and administrative personnel continues to be a competitive process. To meet this challenge, the Group provides opportunities for existing and prospective consultants and employees to participate in the equity of the Group. The Group believes its competitive advantage is its scientific, integrated approach to successfully identify desirable drilling prospects.

1.29 ***Joint Property Ownership***

It is common for more than one company to have an equity stake in a license or a project, as is the case with the Group’s interests in the Wyoming Assets and OPL 226.

The Wyoming Assets consist of operating working interests in approximately 42,415.55 gross acres of contiguous leasehold in Wyoming, US as of 31 December 2022. The leasehold is a combination of the following: (i) fee simple freehold leases; (ii) state of Wyoming leases; and (iii) federal leases. Within the leasehold there are three Units: Two (2) production Units being the BFSU (85.68% working interest); and the Cole Creek Unit (96.05% working interest); as well as one unitized exploration area being the BFDU (85.52% working interest). The purpose of the formation of these Units is to align the various lessors’ interests through the terms of their respective leases with those of the lessees whose working interest is defined through the Unit.

Relationships between the lessees are governed by a UOA that is an underlying contractual framework for the operation of the Unit in the oil and natural gas industry. There are UOAs for each of the three Unit areas. In two of the UOAs (BFDU and BFSU) there is one main partner, being the CNOOC Group. In the Cole Creek UOA, nearly all interests are held by members of the Atomic Group. In all three UOAs the participating parties have appointed SWP as the operator of the Unit and as such SWP is also a party to the UOA. The Atomic Group’s respective acreage interests in each Unit area as of 31 December 2022 are as follows:

<b>Atomic Group Wyoming leases</b>	<b>Cole Creek Unit (96.05% average working interest)</b>	<b>BFDU (85.52% average working interest) and BFSU (85.68% average working interest)</b>	<b>Acreage outside unitized lands (average working interest 85.82%)</b>	<b>Total Acreage</b>
Gross acres	6,000.00	24,458.04	11,957.51	42,415.55
Net acres	5,763.08	20,955.77	10,470.43	37,189.28

The Operator is responsible for the day-to-day management and operation of the field. The main duty of the Operator is to carefully plan the activities in order to increase the profitability of the operations, however, it is not usually liable for any loss of production or revenues as a result of its decisions except in cases of gross negligence and/or wilful misconduct.

As the name suggests, parties other than the Operator are designated as “**non-Operator(s)**”. The most important duties of a non-Operator are to vote on proposed operations and to answer any cash-calls approved operations require. Non-Operators form part of the Unit Operating Committee (“**UOC**”) which oversees the activities of Operator. The voting rights of Operators and non-Operators in the UOC are as per the interest they hold in the UOA.

There are a number of model UOAs such as the American Association of Petroleum Landmen 610 (AAPL), Association of International Petroleum Negotiators 2002 (AIPN), Canadian Association of Petroleum Landmen 2007 (CAPL), and Oil and Gas UK Standard JOA 2007 (OGUK) which specify and detail different features of the UOA. A typical UOA will include the following:

- Duration of the Agreement
- Parties to the Agreement
- Parties Participating Interests
- Scope of Work
- Exclusive Operations
- Designated Operator
- The Unit Operating Committee
- Cost Control and Contracting
- Hydrocarbon Allocation
- Hydrocarbon Lifting and Disposal
- Transfer of Interests
- Withdrawal from UOA
- Liabilities
- Decommissioning
- Default
- Dispute resolution
- Accounting procedure

The various UOAs related to the Wyoming Assets are consistent with these headings.

With respect to OPL 226, the Group, through its joint venture company, owns shares in the licence holder and has entered into the Essar Nigeria Shareholders Agreement to set out the rights, duties and understandings of the Group and its partners and to govern the expectations as to how the project will be carried out.

The Essar Nigeria Shareholders Agreement provides that if the other party commits a material breach of the agreement, the innocent party is entitled to terminate the shareholders agreement. In the event that the agreement is properly terminated, the innocent party has the further right to require the defaulting party to sell its shares to the innocent party at either the price offered by the innocent party or at another price with reference to the fair market price of the shares as determined by an internationally recognised investment bank.

In certain situations, these co-owners may have objectives and interests that do not coincide with and may conflict with the Group's interests. Also, failure to satisfactorily meet demands or expectations by any or all of the parties may affect the Company's participation in the operation of such assets or in the development of such projects, the Group's ability to obtain or maintain necessary licences or approvals, or the timing for undertaking various activities. In addition, disputes may arise pertaining to the timing, scope, funding and/or capital commitments with respect to projects that are being jointly developed. The occurrence of any of the foregoing could have a material adverse effect on the Group's business, financial condition, reserves and results of operations.

#### 1.30 ***Global Financial Instability***

The global financial markets are experiencing continued volatility and geopolitical issues and tensions continue to arise. Many Organisations for Economic Co-operation and Development (OECD) countries have continued to experience recession or negligible growth rates, which have had, and may continue to have, an adverse effect on consumer and business confidence. The resulting low consumer and business confidence has led to low levels of demand for many products across a wide variety of industries. The Company cannot predict the severity or extent of these recessions and/or periods of slow growth. Accordingly, the Company's estimate of the results of operations, financial condition and prospects of the Company will be uncertain and may be adversely impacted by unfavourable general global, regional, and national macroeconomic conditions.

#### 1.31 ***Alternatives to and Changing Demand for Petroleum Products***

Fuel conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas, and technological advances in fuel economy and energy generation devices could reduce the demand for crude oil and other liquid hydrocarbons. The Group cannot predict the impact of changing demand for oil and natural gas products, and any major changes may have a material adverse effect on the Group's business, prospects, financial condition or results of operations.

#### 1.32 ***Interest Rate Cash-Flow Risk***

The Company is exposed to floating rate debt in its current Senior Credit Facility. The floating rate debt obligations expose the Group to changes in interest payments due to fluctuations in interest rates, most notably LIBOR. The Company is subject to an interest rate of LIBOR plus 10.5%. Accordingly, the Group may also be exposed to higher interest rates when debt instruments are maturing and require refinancing, or when new debt capital needs to be raised. Further the Group will be exposed to changes in interest rates if derivative instruments are used to manage the debt portfolio. Unfavourable changes in interest rates could have a material adverse effect on the Group's business, financial condition and results of operations.

Floating rate debt may be used to finance development activities, if it is available in the future. The floating rate debt obligations would expose the Group to changes in interest payments due to fluctuations in interest rates. The Group may also be exposed to higher interest rates when debt instruments are maturing and require refinancing, or when new debt capital needs to be raised. Further, the Group will be exposed to changes in interest rates if derivative instruments are used to manage the debt portfolio. Unfavourable changes in interest rates could have a material adverse effect on the Group's business, financial condition and results of operations.

#### 1.33 ***Debt Covenants of the Company may be Exceeded With no Ability to Negotiate Covenant Relief***

The Company has not met its leverage ratio covenant requirement of 3.0:1.0 as at 31 March 2022, 2.75:1.0 as at 30 June 2022 and 2.50:1.0 as at 30 September 2022 and each fiscal quarter ending thereafter pursuant to the Senior Credit Facility due to volatility in the price of West Texas Intermediate, a grade of light sweet crude oil used as benchmark pricing in the US; the impact of the Company's risk management contracts; and lower than anticipated production volumes from its Wyoming Assets. Production declines or continued volatility in crude oil and natural gas prices may result in a significant reduction in earnings or operating cash flow, which could lead to the Group's increased indebtedness in order to carry out its operations and fulfill its obligations. If the Group does not comply with the applicable covenants under its existing credit facilities and debt securities, there is a risk that the Group may not be able to negotiate covenant relief with its lenders, repayment could be accelerated and/or the Group's access to capital could be restricted or only be available on unfavourable terms, which may have a material adverse effect on the Group's operations and financial condition.

The Group would have been in default of its requirement to meet the quarterly leverage and liquidity ratio requirements of the Senior Credit Facility as at 31 December 2022, but this default was preemptively waived by the Lender on a one-time basis. There can be no guarantee that any further defaults under the Senior Credit Facility will be waived. Given that the Company does not have sufficient working capital, that is, for at least the next 12 months from the date of this Prospectus, there is a risk that the Company may be in default of its requirement to meet the quarterly leverage and liquidity ratio requirements of the Senior Credit Facility going

forward.

#### 1.34 ***Geo-Political Change***

The marketability and price of oil and natural gas that may be acquired or discovered by the Group is, and will continue to be, affected by political events throughout the world that cause disruptions in the supply of oil. Changes to political policy in the United States, conflicts, or conversely peaceful developments, arising in the Middle East, and other areas of the world, have a significant impact on the price of oil and natural gas. Any particular event could result in a material decline in prices and therefore result in a reduction of the Group's net production revenue.

In addition, the Group's oil and natural gas properties, future wells and facilities could be subject to a terrorist attack. If any of the Group's properties, wells or facilities are the subject of a terrorist attack, it may have a material adverse effect on the Group's business, prospects, financial condition or results of operations. The Group will not have insurance to protect against the risk of terrorism.

#### 1.35 ***Russian/Ukrainian Conflict***

In February 2022, Russian military forces invaded Ukraine. In response, Ukrainian military personnel and civilians are actively resisting the invasion. Many countries throughout the world have provided aid to the Ukraine in the form of financial aid and in some cases military equipment and weapons to assist in their resistance to the Russian invasion. The North Atlantic Treaty Organization ("NATO") has also mobilized forces to NATO countries close to the conflict as deterrence to further Russian aggression in the region. The outcome of the conflict is uncertain and is likely to have wide-ranging consequences on the peace and stability of the region and the world economy. In addition, certain countries including Canada and the United States, have imposed strict financial and trade sanctions against Russia, which sanctions may have far reaching effects on the global economy. As part of the sanctions package, the German government paused the certification process for the 1,200 km Nord Stream 2 natural gas pipeline that was built to carry natural gas from Russia to Germany. Russia is a major exporter of oil and natural gas. Disruption of supplies of oil and natural gas from Russia could cause a significant worldwide supply shortage of oil and natural gas and have a significant impact on worldwide prices of oil and natural gas. A lack of supply and high prices of oil and natural gas could have a significant adverse impact on the world economy. The long-term impacts of the conflict and the sanctions imposed on Russia remain uncertain.

#### 1.36 ***Potential Undisclosed Liabilities Associated with the Atomic Acquisition and the Cuda Acquisition***

In connection with the Atomic Acquisition and the Cuda Acquisition, there may be liabilities that the Company failed to discover or was unable to quantify in due diligence conducted prior to the execution of the Atomic SPA and the execution of the Cuda Acquisition's asset purchase and sale agreement. While the agreements included customary representations and warranties appropriate for transactions of this nature, the Company may not be indemnified for some or all of these liabilities.

#### 1.37 ***ShoreCan Joint Venture Risks***

The Company has entered into a joint venture arrangement with Shoreline to form ShoreCan. Pursuant to the terms of that arrangement, the Company may have a lesser degree of control over the joint venture that may expose the Company to additional operational, financial, compliance and legal risks.

Generally:

- (a) the Company (or relevant person) may be dependent on the joint venture counterparty for capital, product distribution, local market knowledge, or other resources;
- (b) the Company's (or relevant person's) ability to exercise management control or influence over the joint venture and the success of its investments in it will depend on the cooperation between the joint venture participants and the terms of the joint venture agreement, which allocates control among the joint venture participants;
- (c) if the Company (or relevant person) may be unable to effectively manage the joint venture; and/or
- (d) the joint venture counterparty may fail to meet its obligations under the joint venture arrangement, encounter financial difficulty, elect to alter, modify or terminate the relationship, or the joint venture does not comply with local legislation or regulations,

such that the Company (or relevant person) may be unable to achieve its objectives and its results of operations may be negatively impacted.

## 1.38 ***COVID-19 Risk***

Since January 2020, there has been a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and; specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on commodity prices and demand for oil and the stock market, including trading prices of the Common Shares and its ability to raise new capital. These factors, among others, could have a significant impact on the Company's operations.

## 1.39 ***Cyber Attacks or Terrorism***

The Group may be threatened by problems such as cyber-attacks, computer viruses, or terrorism that may disrupt operations and harm operating results. Additionally, use of personal devices by employees, vendors or other third parties can create further avenues for potential cyber-related incidents, as the Group has limited control over the use and safety of these devices. Information technology and cyber risks have increased since the COVID-19 pandemic, with cybercriminals taking advantage of remote working environments to increase malicious activities, creating more threats for cyberattacks, including phishing emails, malware embedded mobile apps that purport to track COVID-19 infection rates, and targeting of vulnerabilities in remote access platforms. Furthermore, the adoption of emerging technologies, such as cloud computing, artificial intelligence and robotics, call for continued focus and investment to manage risks effectively.

While the Group expects that the probability of a targeted attack is low, security measures have been implemented to protect the Group's information technology systems and network infrastructure. Despite the implementation of security measures, technology systems may be vulnerable to disability or failures due to hacking, viruses, acts of war or terrorism, and other causes. Additionally, the Group is reliant on third party service providers for certain information technology applications. While we believe that these third party service providers have adequate security measures, there can be no assurance that these security measures will prevent any cyber events or computer viruses from impacting the Group. If the Group is unable to recover from such cyber events in a timely way, we might be unable to fulfil critical business functions, which could have a material adverse effect on the business, financial condition, and results of operations.

The Group may be required by regulators or by the future terrorist threat environment to make investments in security that cannot be predicted. The implementation of security guidelines and measures and maintenance of insurance, to the extent available, addressing such activities could increase costs. These types of events could materially adversely affect the Group's business and results of operations.

## **2. RISKS RELATED TO THE GROUP**

### 2.1 ***Governmental Regulation***

AI, 9.1

The industry in which the Group operates is subject to regulation, intervention and certain approvals by governments in such matters as the awarding of exploration and production interests, the imposition of specific drilling obligations, environmental protection controls, control over the development and abandonment of fields (including restrictions on production) and possibly expropriation or cancellation of contract rights. As well, governments may regulate or intervene with respect to price, taxes, royalties and the exportation of oil and natural gas. Such regulations may be changed from time to time in response to economic or political conditions. The implementation of new regulations or the modification of existing regulations affecting the oil and gas industry could reduce demand for natural gas and crude oil, increase costs and may have a material adverse effect on the Group.

### 2.2 ***Environmental Regulations***

AI, 5.7.4

Oil and gas operations in which the Group is or may in the future be involved with in other foreign jurisdictions, are subject to stringent environmental laws and regulations. These laws and regulations generally require the Group to limit, remove or remedy the effect of its activities on the environment at present and former operating sites, including limiting emissions to the environment, dismantling production facilities, and decommissioning and remediating damage caused by the disposal or release of specified substances. The Group intends to operate in a manner intended to ensure that the Group's projects meet appropriate environmental standards. There can be no assurance that application of existing environmental laws and regulations will not have a material adverse effect on future financial conditions or results of operations.

It is expected that other changes in environmental legislation may also require, among other things, reductions in emissions to the air from operations and could result in increased capital expenditures. Although the Group does not expect that future changes in environmental legislation will result in materially increased costs, such changes could occur and result in stricter standards and enforcement, larger fines and liability, and increased capital expenditures and operating costs, which could have a material adverse effect on the Group's financial condition or results of operations.

### 2.3 *Climate Change*

AI, 5.7.4

Public support for climate change action and receptivity to alternative or renewable energy technologies has grown in recent years. Governments in Canada, United States and around the world have responded to these shifting societal attitudes by adopting ambitious emissions reduction targets and supporting legislation, including measures relating to carbon pricing, clean energy and fuel standards, and alternative energy incentives and mandates.

At the international level, the United Nations-sponsored Paris Agreement requires nations to submit non-binding, individually-determined emissions reduction targets every five years after 2020. In April 2021, the United States established a goal of reducing economy-wide net greenhouse gas ("GHG") emissions 50-52% below 2005 levels by 2030. Additionally, at COP26 in Glasgow in November 2021, the United States and the European Union jointly announced the launch of a Global Methane Pledge, which is an initiative committing to a collective goal of reducing global methane emissions by at least 30 percent from 2020 levels by 2030, including "all feasible reductions" in the energy sector.

Many countries are developing country-wide approaches to implementing the Paris Agreement. More stringent legislation or regulations in the United States and Canada, relative to other jurisdictions, including requirements to significantly reduce GHG emissions, water consumption, or setback requirements for facilities and wells, could result in increased costs and competitive disadvantages. Failure to comply with such regulations and laws could result in significant penalties being imposed. The Company is unable to predict the impact of the Paris Agreement and other related regulations on its operations. It is possible that mandatory emissions reduction requirements may have a material adverse effect on the Company's financial condition, results of operations and cash flow.

The Group's proposed exploration activities and production activities will emit greenhouse gases and require the Group to comply with greenhouse gas emissions legislation and policy. The direct or indirect costs of these regulations may have a material adverse effect on the Group's business, prospects, financial condition or results of operations. The future implementation or modification of greenhouse gases regulations, whether to meet the limits required by the Paris Agreement, Kyoto Protocol, the Copenhagen Accord, the proposed Canadian regulations or as otherwise determined, could have a material impact on the nature of oil and natural gas operations, including those of the Group. Given the evolving nature of the debate related to climate change and the control of greenhouse gases and resulting requirements, it is not possible to predict the impact on the Group and its operations and financial condition.

### 2.4 *Foreign Currency Exchange Risk*

A significant amount of the Group's proposed activities are or will be transacted in or referenced to various currencies including US dollars, Canadian dollars and pounds sterling. As a result, fluctuations in currencies could result in unanticipated fluctuations in financial results, which are denominated in US dollars. The Group will manage a portion of its exposure to fluctuations in exchange rates, however, there can be no assurance that such management will fully offset the fluctuations.

### 2.5 *Country Specific Political Risk – United States*

AI, 9.1

In the United States, the primary way that politics can affect oil and gas development is in the regulatory sense. Typically, an oil and gas company is covered and protected by a range of regulations that limit where, when and how hydrocarbon extraction is performed. This interpretation of laws and regulations can also differ from state to state. That said, political risk generally occurs when oil and gas companies are faced with changing narratives of differing political parties with respect to oil field operations or climate change opinions.

For example, COPL updated its shareholders, investors and the market on 28 January 2021 with respect to the Company's view of the new presidential executive order (the "**Executive Order**") pertaining to the US federal oil and gas leases as it relates to COPL's acquisition of the Atomic Group. The Company believes that the Executive Order signed by the President of the United States will have a largely positive effect on the Atomic Acquisition. The statement by the President of the United States on signing the Executive Order stated the following:



No new US federal oil and gas leases will be issued offshore, or onshore through the Bureau of Land Management, an arm of the US Department of the Interior. There will be a review of existing leases and permitting for oil and gas operations conducted on federal lands and applications for permitting on federal leases may face extended delays. There will be no ban on hydraulic fracking. Legacy suspended wells on federal leasehold are to be abandoned to reduce methane emissions. Operations on federal lands shall be conducted with regards to the nation's climate objectives.

The Company believes the executive order signed on 28 January 2021 by the President of the United States to have a largely positive effect, and limited negative effects on COPL's Atomic Acquisition for the reasons referred to elsewhere in this Prospectus.

Atomic has secured drilling permits required to continue to conduct the majority of its operations on the critical federal leasehold. If in the future operations are restricted from the surface of federal leasehold, operations can also be conducted from adjoining fee simple or state leasehold directionally if there were to be a hindrance of such operations outside of the newly stated policy on federal leasehold. The Wyoming Assets have new infrastructure and direct access to pipeline with no legacy abandonment or reclamation liabilities. The BFSU facilities are state-of-the-art, environmentally responsible facilities with zero gas flaring, minimal methane emissions, with required electricity sourced from an adjacent wind farm.

## **2.6 *Country Specific Political Risk – Nigeria***

After independence in 1960, Nigerian politics was marked by coups and mostly military rule, until the death of a military head of state in 1998 allowed for a political transition. In 1999, a new constitution was adopted and a transition to civilian government was completed. The government continues to face the task of institutionalizing democracy and reforming a petroleum-based economy.

Nigeria continues to experience longstanding ethnic and religious tensions and although both the 2003 and 2007 presidential elections were marred by significant irregularities and violence, Nigeria is currently experiencing its longest period of civilian rule since independence. However, Nigeria remains a difficult market for the foreseeable future primarily as a result of bureaucracy, corruption and difficulty accessing power. Security challenges are historically, and may continue as an additional inhibition with Boko Haram insurgency in the North and instability in the Niger Delta region in the South. Despite efforts to diversify, the Nigerian economy is still significantly over dependent on oil, which provides 75% of government revenues and 80% of export revenues.

Nigeria is highly vulnerable to the global economic disruption caused by COVID-19, particularly due to the pronounced decline in oil prices and spikes in risk aversion in global capital markets. The magnitude of the health impact depends on the duration and the domestic spread of the outbreak, while the economic impact hinges on oil prices. Oil accounts for over 80% of exports, a third of banking sector credit, and half of government revenues. Oil prices also affect growth in non-oil industries and services, with additional pressures arising from foreign portfolio investors' reassessment of risks and domestic liquidity management.

There can be no assurance that the identified political risks in Nigeria will not have a material adverse effect on future financial conditions or results of future operations of the Group.

## **2.7 *Operating in African countries in the future***

The Group plans to carry on business in African countries such as Nigeria and in other African countries in the future. Social, political and economic conditions in Africa are in varying stages of development and are volatile. Volatility may be caused, without limitation, by the following:

- significant governmental influence over many aspects of local economies;
- unexpected or radical changes in legislation, regulatory requirements, labour conditions or other government policies, and changes in interpretations or enforcement of existing laws or regulations;
- governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or otherwise benefit residents of that country or region;
- changes in tax laws and conflicting national or local interpretations of tax laws;
- political, social and economic instability, terrorism, war and civil disturbances;
- damage to equipment or violence directed at employees, including kidnapping;
- lack of law enforcement;
- imposition of trade barriers;
- wage and price controls;

- foreign currency fluctuations and devaluation;
- restrictions on currency conversion and repatriation;
- renegotiation, nullification, or unilateral termination of concessions, licences, permits and agreements by government-owned entities;
- seizure, expropriation or nationalization of assets or industries;
- difficulty in collecting international accounts receivables;
- changing political conditions;
- solicitation by government officials for improper payments or other forms of corruption;
- regional economic downturns;
- inflation and adverse economic conditions stemming from governmental attempts to reduce inflation, such as the imposition of higher interest rates; the burden of complying with multiple and potentially conflicting laws; and
- other forms of governmental regulation and economic conditions that are beyond our control.

This volatility could create difficulty for the Group in executing its business strategy, which could have a material adverse effect on its business and financial performance. These factors may impact on the profitability and viability of the Group's business in these countries.

## 2.8 ***Tax regimes in the jurisdictions in which the Group operates are subject to differing interpretations and are subject to change***

A11, 4.11

Tax regimes in the jurisdictions in which the Group operates can be subject to differing interpretations and are often subject to legislative change and changes in administrative interpretation in those jurisdictions. The interpretation by the Company's relevant subsidiaries of relevant tax law as applied to their transactions and activities (including farm ins and farm outs) may not coincide with that of the relevant tax authorities. As a result, transactions may be challenged by tax authorities and any profits of the Company's subsidiaries from activities in those jurisdictions may be assessed to additional tax or additional transactional taxes (e.g. stamp duty or VAT), which, in each case, could result in significant additional taxes, penalties and interest, any of which could have a material adverse impact on the Group's business, prospects, financial condition or results of operations.

## 2.9 ***Market Access Constraints and Transportation***

Any production resulting from the Group's projects needs to be transported to market. Disruptions in, or restricted availability of pipeline service and/or road or rail transport, could adversely affect crude oil and natural gas sales from the markets in which we operate, projected production growth, upstream or refining operations and cash flows.

Interruptions or restrictions in the availability of adequate transportation systems, or the interruption of existing transportation systems, may limit the ability to deliver production volumes and could adversely impact commodity prices, sales volumes and/or the prices received for any products we may produce.

## 2.10 ***Litigation Risk***

There is a risk that the Group or entities in which it has an interest may be subject to litigation, and claims under such litigation may be material. Various types of claims may be raised in these proceedings, including, but not limited to, environmental damage, climate change and the impacts thereof, breach of contract, product liability, antitrust, bribery and other forms of corruption, tax, patent infringement, disclosure, employment matters and in relation to an attack, breach or unauthorized access to the Group's information technology and infrastructure. Litigation is subject to uncertainty and it is possible that there could be material adverse developments in pending or future cases. Unfavourable outcomes or settlements of litigation could encourage the commencement of additional litigation. The Group may also be subject to adverse publicity and reputational impacts associated with such matters, regardless of whether the Group is ultimately found liable. There is a risk that the outcome of such litigation may be materially adverse to the Group and/or the Group may be required to incur significant expenses or devote significant resources in defence against such litigation, the success of which cannot be guaranteed.

# 3. **RISKS RELATED TO AN INVESTMENT IN COMMON SHARES**

## 3.1 ***Liquidity of the Common Shares and realisation of investment in Common Shares***

Investors and potential investors should be aware that the value of the Common Shares can go down as well as up, and that there may not be a liquid market in the Common Shares.

An investment in the Common Shares may thus be difficult to realise. The ability of an investor to sell Common Shares will depend on there being a willing buyer for them at an acceptable price. Consequently, it might be difficult for an investor to realise on their investment in the Company and they may lose all their investment. In the event of a winding-up of the Company, the Common Shares will rank behind any liabilities of the Company and therefore any return for Shareholders will depend on the Company's assets being sufficient to meet prior entitlements of creditors.

### 3.2 *Dividends*

The Company has never declared or paid any cash dividends on its Common Shares. The Company currently intends to retain future earnings, if any, for future operations, expansion and/or debt repayment, if necessary. The Directors do not anticipate paying dividends in the near future. Any decision to declare and pay dividends will be made at the discretion of the Board and will depend on, among other things, the Company's results of operations, current and anticipated cash requirements and surplus, financial condition, contractual restrictions and financing agreement covenants, solvency tests imposed by corporate law and other factors that the Board may consider relevant.

In addition to the foregoing, the Company's ability to institute and pay dividends now or in the future may be limited by covenants contained in the agreements governing any indebtedness that the Group may incur in the future including the terms of any credit facilities the Group may enter into with third party lenders. It is not uncommon that credit facilities will prevent a borrower from declaring or paying any dividends (excluding stock dividends) to any of its shareholders or returning any capital (including by way of dividend) to any of its shareholders.

As a result of the foregoing factors, purchasers of Common Shares may not receive any return on an investment in Common Shares held or purchased by them unless they sell such Common Shares for a price greater than that which they paid for it.

### 3.3 *Common Share Price Volatility*

The market price for Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Group's control, including the following: (i) actual or anticipated changes in oil and natural gas prices, including as a result of the war between Russia and Ukraine; (ii) the COVID-19 pandemic; (iii) actual or anticipated fluctuations in the Company's quarterly results of operations; (iv) recommendations by securities research analysts; (v) changes in the economic performance or market valuations of other companies that investors deem comparable to the Company; (vi) addition or departure of the Group's executive officers and other key personnel; (vii) sales or perceived sales of additional Common Shares; (viii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Group or its competitors; (ix) the invasion of Russian military forces in the Ukraine and the sanctions imposed by certain countries in relation thereto; and (x) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Group's industry or target markets.

Financial markets have experienced significant price and volume fluctuations in the last several years that have particularly affected the market prices of equity securities of companies and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses.

As well, certain institutional investors may base their investment decisions on consideration of the Company's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in a limited or no investment in the Common Shares by those institutions, which could adversely affect the trading price of the Common Shares. Any changes in market-based factors or investor strategies, including environmental, social and governance criteria, or responsible investing criteria/rankings, the implementation of new financial market regulations and fossil fuel divestment initiatives undertaken by governments, pension funds and/or other institutional investors, may adversely affect the trading price of the Common Shares, and/or their inclusion in the portfolios of investment managers. In addition, should the trading price of the Common Shares fall below stock exchange listing thresholds, the exchanges will review the appropriateness of the Common Shares for continued listing on such exchanges. There can be no assurance that continuing fluctuations in the price and volume of publicly traded equity securities will not occur. If such increased levels of volatility and market turmoil continue, the Group's operations could be adversely impacted and the trading price of the Common Shares may be adversely affected.

### 3.4 ***Dilution and Further Sales***

The exercise of the Options or Warrants or the conversion or settlement of the Bonds into Common Shares will have a dilutive effect on Existing Shareholders' percentage ownership of the Company and may result in a dilution of the Shareholders' interest if the price per Common Share exceeds the subscription/conversion price payable at the relevant time. Conversion payments due to Bondholders who have converted the principal Bond may result in further dilution should Bondholders elect for their conversion payment to be settled in Common Shares as such share settlement would be determined based on the 5 day lowest market price on LSE following receipt of a share settlement notice from a Bondholder.

The Group may enter into further financings or other transactions involving the issuance of securities of the Company, in the future, which may be dilutive.

There are no restrictions on the Company issuing or selling Common Shares (or Preferred Shares) other than those pursuant to applicable securities laws and stock exchange policies. The sale of a substantial number of the Common Shares in the public market, or the perception that such sales may occur, could adversely affect the prevailing market price of the Common Shares and negatively impact the Company's ability to raise equity capital in the future.

### 3.5 ***New Shares Admission may not occur when expected***

There is no assurance that the listing of the admission of the New Shares on the Official List and their admission to trading on the London Stock Exchange's main market will take place when anticipated.

## CONSEQUENCES OF A STANDARD LISTING

Application will be made for the New Shares to be admitted to listing on the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for standard listings.

The Company is not required to comply with the eligibility requirements for a premium listing on the Official List set out in Chapter 6 of the Listing Rules or the Listing Principles set out in Chapter 7 of the Listing Rules (other than the listing principles regarding: (i) taking reasonable steps to establish and maintain adequate procedures, systems and controls to enable the Company to comply with its obligations; and (ii) dealing with the FCA in an open and co-operative manner).

In addition, the Company is not required, and does not intend, to appoint a listing sponsor under Chapter 8 of the Listing Rules to guide the Company in understanding and meeting its responsibilities under the Listing Rules. Neither is the Company required, nor does it intend, to comply with: Chapter 9 of the Listing Rules relating to certain continuing obligations; Chapter 10 of the Listing Rules relating to significant transactions; Chapter 11 of the Listing Rules relating to transactions with related parties; Chapter 12 of the Listing Rules relating to purchases by the Company of its own securities and treasury shares; and Chapter 13 of the Listing Rules relating to the content of Company circulars.

**It should also be noted that the Common Shares are, and will continue to be, listed and posted for trading on the CSE and consequently obligations arising from applicable securities and corporate legislation in Canada, as well as the rules of the CSE, will continue to apply to the Company.**

### **Breach of Listing Rule 14.3.4 and Listing Principle 1**

The Company is in breach of Listing Rule 14.3.4 and Listing Principle 1 as it failed to make an application for admission to listing of the 30,250,000 Common Shares issued on 3 December 2021 pursuant to the December 2021 Placing within one year of such allotment.

The breach of Listing Rule 14.3.4 and Listing Principle 1 occurred due, in part, to the Company dedicating its resources to the Cuda Acquisition and its equity financings in 2022, including the April 2022 Placing, the July 2022 Placing and the Winter Bond Financing. As a result, the Company did not have sufficient resources to devote to the admission of the Common Shares issued pursuant to the December 2021 Placing within the required timeframe.

The Company intends to rectify the breach, and an application will be made for the New Shares, which includes the 30,250,000 Common Shares issued pursuant to the December 2021 Placing, to be admitted to the Standard Listing segment of the Official List and to trading on the main market of the London Stock Exchange. It is expected that the New Shares Admission will become effective and that unconditional dealings in the Common Shares will commence at 8:00am on 3 February 2023.

Going forward, the Company will endeavor to comply with all applicable Listing Rules, in particular Listing Rule 14.3.4 and Listing Principle 1. The Company is taking reasonable steps to establish and maintain adequate internal procedures, systems and controls to ensure that an application for admission to the Standard Listing segment of the Official List and to trading on the main market of the London Stock Exchange will be made in a timely manner for each allotment of Common Shares. The Company intends to devote more resources to monitoring the allotment of Common Shares and will assign such responsibility to multiple employees to ensure that the admission is made in a timely manner, including to a senior financial employee. The Company also intends to engage the assistance of its legal advisors to identify any oversight.

### **UK Prospectus Regulation**

Pursuant to Article 1(5)(a) of the UK Prospectus Regulation, the Company is not obligated to publish a prospectus in respect of the admission to listing on the Official List of additional Common Shares issued, provided that such Common Shares represent less than 20% of the Common Shares already admitted to listing on the Official List. As at the publication of the Company's prospectus dated 11 August 2021, 156,244,531 Common Shares were issued and outstanding. As such, the Company had a 20% headroom of 31,248,906 Common Shares, for which it could apply for admission to trading without the publication of a prospectus. In August 2021, the Company issued an aggregate of 8,025,000 Common Shares pursuant to the exercise of common share purchase warrants. Pursuant to Article 1(5)(b) of the UK Prospectus Regulation, the Company subsequently made applications for the admission to listing on the Official List without the publication of a prospectus, and the 8,025,000 Common Shares were admitted to trading as at 26 August 2021. After taking into account the 8,025,000 Common Shares admitted to trading, the issuance of the Common Shares issued pursuant to the December 2021 Placing exceeds the Company's 20% headroom of 22.4%.

Part V

-

**DIRECTORS, CORPORATE SECRETARY, REGISTERED OFFICE AND ADVISORS**

<b>Executive Director</b>	Arthur S. Millholland ( <i>President and Chief Executive Officer</i> )	
<b>Non-Executive Directors</b>	Harald Ludwig ( <i>Chairman</i> ) Massimo Carello Robert Chenery John Cowan	
<b>Chief Financial Officer</b>	Ryan T. Gaffney	
<b>Corporate Secretary</b>	Field Law LLP	
<b>Head Office</b>	Suite 3200, 715 – 5 <sup>th</sup> Avenue S.W. Calgary, Alberta Canada T2P 2X6	
<b>Registered Office</b>	Suite 400, 444 – 7 <sup>th</sup> Avenue S.W. Calgary, Alberta Canada T2P 0X8	A1, 4.4 A1, 1.1 A1, 12.1
<b>Website</b>	<a href="http://www.canoverseas.com/">http://www.canoverseas.com/</a>	A1, 4.4
<b>Legal Advisors to the Company as to English Law</b>	McCarthy Tétrault 18 <sup>th</sup> Floor 1 Angel Court London EC2R 7HJ United Kingdom	
<b>Legal Advisors to the Company as to Canadian Law</b>	McCarthy Tétrault LLP Suite 4000, 421 – 7 <sup>th</sup> Avenue S.W. Calgary, Alberta Canada T2P 4K9	
<b>Legal Advisors to the Company as to US Law</b>	Davis Graham & Stubbs Suite 500, 1550 17 <sup>th</sup> Street Denver, Colorado USA 80202	
<b>Auditors</b>	Ernst & Young LLP Calgary City Centre 2200, 215 - 2 <sup>nd</sup> Street S.W Calgary, Alberta Canada T2P 1M4	A1, 2.1
<b>Mineral Experts</b>	Ryder Scott Company - Petroleum Consultants Suite 2800 350- 7 <sup>th</sup> Avenue S.W. Calgary, Alberta Canada T2P 3N9	A1, 1.3

**Registrar**                      Computershare Trust Company of Canada  
Suite 600, 530 – 8<sup>th</sup> Avenue S.W.  
Calgary, Alberta  
Canada T2P 3S8

**Depository**                    Computershare Investor Services PLC  
The Pavilions  
Bridgewater Road  
Bristol  
BS99 6ZZ  
United Kingdom

## Part VI

-

### EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Prospectus.....	31 January 2023	A11, 5.1.
Admission and commencement of dealings in New Shares on the LSE .....	8:00 a.m. on 3 February 2023	A11, 4.7

Each of the times and dates in the above timetable is subject to change without further notice. All references to time are to the time in London, United Kingdom unless otherwise stated

### STATISTICS

Number of Common Shares in issue as at the date of this Prospectus.....	277,858,812	A11, 5.1.2
---	-------------	------------

### DEALING CODES

The dealing codes for the Common Shares will be as follows:

ISIN.....	CA13643D1078	
SEDOL.....	BKRVWF4	
LEI.....	213800QPF6H95J4ZAH31	A1, 4.2
Tickers.....	LSE:COPL	
	CSE: XOP	



**PRESENTATION OF INFORMATION AND FORWARD-LOOKING STATEMENTS****General**

Investors should rely only on the information in this Prospectus. No person has been authorised to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company or the Directors. Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G of FSMA, neither the delivery of this Prospectus nor any subscription or sale made under this Prospectus shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company or of the Group taken as a whole since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

The contents of this Prospectus are not to be construed as legal, business or tax advice. Each investor should consult his or her own lawyer, financial advisor or tax advisor for legal, financial or tax advice in relation to any subscription, purchase or proposed subscription or purchase of Common Shares.

**Presentation of financial information**

A1, 5.7.1

The financial information in this Prospectus comprises information for the Group for the financial years ended 31 December 2019, 2020 and 2021 has been extracted without material adjustment from the information incorporated by reference into Part XII (*Financial Information on the Group*) of this Prospectus.

The unaudited condensed interim consolidated financial statements, illustrating the financial results of the Group as at 30 September 2022 and for the nine month periods ended 30 September 2022 and 2021 are set out at Part XII (*Financial Information on the Group*) of this Prospectus.

**Emphasis of matter**

The auditor's reports on the Group's consolidated financial statements for each of the years ended 31 December 2021 and 31 December 2019 contain an emphasis of matter, each of which in summary states (without qualifying the auditor's opinion) that the Company does not have adequate financing to develop its operations and the Company is pursuing exploration projects and contracts that will require substantial additional financing before they are able to generate positive cash flows. As at 31 December 2021, the Company was in default on the Senior Credit Facility, for which the Company received Waivers subject to certain conditions. The auditor reported for each of the years in question that those factors, along with other factors described in the consolidated financial statements, indicated the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern, further details of which are set out in Note 2 to the Company's 2021 and 2019 audited consolidated financial statements.

**Rounding**

Percentages and certain amounts included in this Prospectus have been rounded to the nearest whole number or a specific number of decimal places for ease of presentation. Accordingly, figures shown as totals in certain tables may not be the precise sum of the figures that precede them. In addition, certain percentages and amounts contained in this Prospectus reflect calculations based on the underlying information prior to rounding, and accordingly may not conform exactly to the percentages or amounts that would be derived if the relevant calculations were based upon the rounded numbers.

**Share Consolidation**

On 1 October 2021, the Company completed the consolidation of all of the issued and outstanding Common Shares on the basis of every one hundred (100) pre-consolidation Common Shares being consolidated into one (1) post-consolidation Common Share (the "**Share Consolidation**"). Fractional interests were rounded down to the nearest whole number of Common Shares. Outstanding stock options and outstanding warrants were similarly adjusted by the Share Consolidation ratio. The Share Consolidation resulted in 16,426,953,124 pre-Share Consolidation Common Shares issued and outstanding on 30 September 2021 being consolidated into 164,269,464 post-Share Consolidation Common Shares on 1 October 2021.

In accordance with the Share Consolidation, all Common Shares and per-share amounts disclosed herein reflect the post-Share Consolidation shares unless otherwise specified.

**Currencies**

Unless otherwise indicated, in this Prospectus, all references to:

- “CAD” or “Canadian dollars” are to the lawful currency of Canada;
- “GBP”, “£” or “pounds sterling” are to the lawful currency of the United Kingdom; and
- “USD”, “\$” , “USD\$”, or “US dollars” are to the lawful currency of the United States.

Unless otherwise indicated, the financial information contained in this Prospectus has been expressed in US dollars.

Transactions denominated in foreign currencies are translated at the exchange rate prevailing on the transaction date. At each period end, monetary assets and liabilities denominated in a foreign currency are translated at the exchange rate prevailing at the period end date. All differences are recognized in net earnings. Non-monetary assets, liabilities and transactions denominated in a foreign currency and measured at historical cost are translated at the exchange rate in effect at the transaction date. Non-monetary items measured at fair value are translated using the exchange rates at the date when the fair value was determined.

For the purpose of consolidation, assets and liabilities of foreign subsidiaries are translated from their functional currency to USD using the exchange rate prevailing at the period end date. The statements of comprehensive loss and cash flows are translated using the average exchange rates for the period. Foreign exchange differences resulting from such transactions are recorded in Shareholders’ Equity as accumulated other comprehensive income.

## Times

Unless otherwise stated, references to time in this Prospectus are references to the time in London, United Kingdom.

## References to defined terms

Certain terms used in this Prospectus, including certain capitalised, technical and other terms are defined or described in Part XX (*Definitions*) and XX (*Glossary of Technical Terms*).

## Mineral resource reporting

### Ryder Scott

The Company commissioned Ryder Scott to produce a report on the BFSU, the Cole Creek Unit and BFDU Dakota properties. The Ryder Scott Report is effective 31 July 2022 and dated 2 September 2022. The Company affirms that no material changes have occurred since the date of the Ryder Scott Report, the omission of which would make the Ryder Scott Report misleading.

The estimates of the reserves, future production, and income attributable to properties in the Ryder Scott Report were prepared using the economic software package Value Navigator, a copyrighted program of Quorum Software. Ryder Scott has found this program to be generally acceptable, but notes that certain summaries and calculations may vary due to rounding and may not exactly match the sum of the properties being summarized. Furthermore, one-line economic summaries may vary slightly from the more detailed cash flow projections of the same properties, also due to rounding. The rounding differences are not material.

Summary tables of reserve and income data are provided in the report under the “Summary of Reserve and Income Data” tab. Also included are one-line summary tables. Table A presents a one-line summary of proved reserve and income data for the subject properties, ranked according to their future net income discounted at 10 percent per year. Table B presents a one-line summary of gross (company working interest before royalties) reserves and net (after royalties) income data. Tables 1-A through 9-B in the “Grand Summary Projections” section of this report present their estimated projection of production and income by years beginning 1 August 2022. These tables present the information aggregated by country, state/county, and field or pool.

Certain information presented in the summary tables included in “Summary of Reserve and Income Data” is expressed in BOE’s using a conversion ratio of 6 Mcf:1 bbl. It should be noted that BOE’s may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

The estimates of reserves presented in the Ryder Scott Report were based upon a detailed study of the properties in which COPL owns an interest; however, Ryder Scott has not made any field examination of the properties, as it was deemed that an on-site visit would not provide any additional data pertinent to the evaluation of the reserves. No consideration was given in this report to potential environmental liabilities that may exist beyond the abandonment costs scheduled in this evaluation, nor were any costs included for potential liabilities to restore and clean up damages, if any, caused by past operating practices.

A1, 1,3  
TN, 132(a)  
TN, 133(i)(b)  
TN, 133(i)(c)  
TN, 133(i)(d)

Ownership interests and burdens, historical production, revenue and expense data, product prices received, and other factual data obtained from COPL or from public sources were accepted as represented without further investigation. Estimates presented in this report are based on data available through 31 May 2022 and were prepared during July/August 2022.

Reserves are classified according to the degree of certainty associated with the estimates.

### **Proved Reserves**

Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

### **Probable Reserves**

Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

### **Possible Reserves**

Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

Other criteria that must also be met for the categorization of reserves are provided in Section 5.5 of the Canadian Oil and Gas Evaluation handbook (COGEH).

Each of the reserves categories may be divided into developed and undeveloped categories.

### **Developed Reserves**

Developed reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g., when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.

#### **Developed Producing Reserves**

Developed producing reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

#### **Developed Non-Producing Reserves**

Developed non-producing reserves include shut-in and behind pipe reserves. These are reserves that either have not been on production, or have previously been on production but are shut in and the date of resumption of production is unknown.

Shut-in reserves are expected to be recovered from:

1. completion intervals which are open at the time of the estimate but which have not yet started producing;
2. wells which are shut-in for market conditions or pipeline connections;
3. wells which are not capable of production for mechanical reasons.

Behind pipe reserves are expected to be recovered from zones in existing wells which will require additional completion work or future re-completion prior to start of production. In all cases, production can be initiated or restored with relatively low expenditure compared to the cost of drilling a new well.

### **Undeveloped Reserves**

Undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.

In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories

or to subdivide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities, and completion intervals in the pool and their respective development and production status.

#### **LEVELS OF CERTAINTY FOR REPORTED RESERVES/RESOURCES**

The qualitative certainty levels contained in the definitions of the various reserves categories are applicable to individual reserves entities, which refers to the lowest level at which reserves estimates are performed, and to reported reserves, which refers to the highest level sum of individual entity estimates for which reserve estimates are presented. Reported reserves should target the following levels of certainty under a specific set of economic conditions:

- at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated Proved Reserves;
- at least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated Proved Reserves plus Probable Reserves;
- at least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated Proved Reserves plus Probable Reserves plus Possible Reserves.

A quantitative measure of the certainty levels pertaining to estimates prepared for the various reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, a quantitative measure of the probability associated with a reserves estimate is generated only when a probabilistic analysis is performed. The majority of reserves estimates will be prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, however, there should be no difference between estimates prepared using probabilistic or deterministic methods. It must be recognized that, regardless of the method used, conditions of uncertainty that are inherent in all reserves estimates cannot be eliminated, and that the estimates themselves represent the evaluator's professional judgment in the application of the definitions and guidelines appropriately and objectively.

#### **Oil and Gas Resources**

The Wyoming Assets have Proven Reserves plus Probable Reserves. A full disclosure of these reserve volumes is included in the attached full Ryder Scott Report.

## Barron Flats Shannon Unit Secondary Gas Flood / Cole Creek Field / BFDU Dakota

CANADIAN OVERSEAS PETROLEUM LIMITED  
SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

FRI SEP 2 12:48:57 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

**GROSS RESERVES (COMPANY WORKING INTEREST RESERVES BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Natural Gas Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lb)	Non-Conv. Gas (MMcf)
Proved Producing	11,118,604	9,614,258	-	-	5,641	-	564,130	-	-
Proved Non-Producing	158,153	158,153	-	-	-	-	-	-	-
Proved Undeveloped	11,007,628	9,112,954	-	-	8,452	-	819,328	-	-
Total Proved	22,284,384	18,885,365	-	-	12,093	-	1,383,458	-	-
Total Probable	18,246,519	15,578,771	-	-	8,800	-	1,201,086	-	-
Total Proved Plus Probable	40,530,903	34,464,135	-	-	20,893	-	2,584,544	-	-

**NET RESERVES (COMPANY RESERVES AFTER ROYALTIES)**


	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Natural Gas Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lb)	Non-Conv. Gas (MMcf)
Proved Producing	8,683,209	7,507,579	-	-	4,409	-	440,861	-	-
Proved Non-Producing	121,059	121,059	-	-	-	-	-	-	-
Proved Undeveloped	8,467,952	7,010,757	-	-	4,968	-	629,205	-	-
Total Proved	17,272,220	14,639,396	-	-	9,377	-	1,070,066	-	-
Total Probable	14,076,387	12,023,173	-	-	6,777	-	923,702	-	-
Total Proved Plus Probable	31,348,608	26,662,569	-	-	16,154	-	1,993,768	-	-

**DISCOUNTED NET REVENUE BEFORE TAX - (\$M)**

	0 %	5 %	8 %	10 %	15 %	20 %	Net Unit Value Disc. @ 10 % (\$/boe)
Proved Producing	437,975	248,748	194,958	170,201	129,195	104,235	19.60
Proved Non-Producing	2,108	2,047	1,915	1,815	1,584	1,339	14.99
Proved Undeveloped	294,579	150,270	104,462	82,817	47,003	26,139	9.78
Total Proved	734,662	401,062	301,335	254,833	177,762	131,713	14.75
Total Probable	675,086	377,158	282,313	237,240	161,682	116,400	16.85
Total Proved Plus Probable	1,409,748	778,220	583,648	492,073	339,444	248,112	15.70

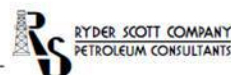
GAS: 6.0 MCF/BOE

FILTER: COPL 6415-MID22RSV - 082022.XML

 **RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

GAS: 6.0 MCF/BOE

FILTER: COPL 8415-MID22RSV - 082022.XML



## Market, economic and industry data

The Company confirms that all third party information contained in this Prospectus has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where third party information has been used in this Prospectus, the source of such information has also been identified.

A1, 1.4  
A11, 1.4

## Forward-looking statements

Certain statements contained in this Prospectus constitute forward-looking statements. In some cases, forward-looking information and forward-looking statements are often, but not always, identified by the use of words such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “guidance”, “intend”, “may”, “plan”, “predict”, “project”, “should”, “target”, “will”, or similar words suggesting future outcomes or language suggesting an outlook. These statements represent management’s expectations or beliefs concerning, among other things, future operating results and various components thereof or the economic performance of the Company, the outcome of the New Shares Admission, future production and grades, the economic limit or viability of assets, projections for sales growth, estimated revenues, reserves and resources, targets for cost savings, the construction cost of new projects, the timing and outcome of exploration projects and drilling programmes, projected capital expenditures, transportation costs, the timing of new projects, the outcome of legal proceedings, the integration of acquisitions, future debt levels, fiscal regimes, the outlook for the prices of hydrocarbons, the outlook for economic recovery and trends in the trading environment, statements about strategies, cost synergies, revenue benefits or integration costs and production capacity of the Group and the industry and countries in which the Group operates. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks and uncertainties which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Operating conditions can have a significant effect on the timing of events. Accordingly, investors are cautioned that events or circumstances could cause results to differ materially from those predicted. The Directors believe the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Prospectus should not be unduly relied upon.

In particular, this Prospectus contains forward-looking statements pertaining to the following:

- expectations regarding the ability to raise capital and obtain the financing necessary to continue its operations;
- the timing of any potential financings, including: offerings, private placements or contributions of funds by Existing Shareholders or Bondholders;
- the Russia-Ukraine conflict and impacts thereof on supply chains and energy commodities markets;
- the effects of the COVID-19 pandemic;
- business strategy, strength and focus;
- expectations to add reserves through acquisitions and development;
- expanding operations into other jurisdictions;
- the dividend policy of the Company;
- the repayment or settlement of obligations under the Bonds;
- cost sharing arrangements with joint operators;
- debt and financing arrangements for the Wyoming Assets and OPL 226;
- the Group's commitments under the OPL 226 Transaction;
- granting a consent to the Essar Transaction by the Nigerian Government;
- the timing of the work program under OPL 226;
- the ability to secure an extension of the OPL 226 Phase 1 Exploration Period and complete the Settlement Transaction;
- information in respect of prospective resources the Company may have;
- information in respect of reserves the Company may have, including disclosure of the Ryder Scott Report;
- anticipated forthcoming activity in the oil and natural gas industry in the fields in which the Group operates;
- the size of the oil, natural gas and natural gas liquids reserves and the ability to commercially exploit them;
- drilling and exploitation timelines;
- the potential reward for undiscovered oil and gas deposits in the West African Transform Margin;
- reserve estimates in respect of the BFSU and the Cole Creek Unit;
- oil and natural gas production levels;
- projections of market prices and costs;
- supply and demand for oil and natural gas;
- the significant follow-up potential for a discovery well in the Noa West and Noa East prospect areas;
- assumptions in respect of valuation of Warrants, Bonds and Options;
- the Group's ability to manage its financial and operations risks;
- the Group's intention in respect of maintaining sufficient insurance;
- treatment under governmental regulatory regimes, tax laws and environmental regulations;
- tax horizon and future income taxes;
- capital expenditure programmes;
- abandonment and reclamation costs;
- expectations with respect to production for the Wyoming Assets;
- capacity of infrastructure;

- the performance characteristics of our oil and natural gas properties and of the oil and natural gas properties comprising the Wyoming Assets; and
- the quantity of the oil and gas reserves associated with the Wyoming Assets.

Statements relating to “reserves” and “resources” are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described can be profitably produced in the future.

Forward-looking information and statements are based on the Company’s current beliefs as well as assumptions made by, and information currently available to, the Company concerning future oil and natural gas production levels, future commodity prices, the ability to add oil and natural gas reserves through farm-in, acquisition and/or drilling at competitive prices, future exchange rates, the cost and availability of equipment and services in the field, the impact of increasing competition and the ability to obtain financing on acceptable terms.

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Prospectus:

- availability of capital to fund future operations;
- the effects of the COVID-19;
- volatility in market prices for crude oil and natural gas;
- failure to obtain debt and other financing for the Wyoming Assets or OPL 226;
- failure to obtain government consent to the Essar Transaction;
- estimates of resources;
- accuracy of oil and gas reserve estimates and estimated production levels as they are affected by exploration and development drilling and estimated decline rates;
- access to production facilities;
- status and stage development;
- reliance on key individuals;
- insurance;
- negative operating cash flow;
- possible failure to realize anticipated benefits of acquisitions;
- marketability of crude oil and natural gas;
- availability of equipment and access restrictions;
- nature of reserves and additional funding requirements;
- cybersecurity and terrorism;
- project risks;
- third party credit risk;
- operating hazards and other uncertainties;
- competition;
- joint property ownership and joint venture risks;
- access to production facilities;
- global financial instability;
- alternatives to and changing demand for petroleum products;
- interest rate cash-flow risk;
- geo-political change;
- foreign operations;

- operating in African countries;
- the Group's business in jurisdictions with inherent risks relating to fraud, bribery and corruption;
- changes in government policy that could have a negative impact on the Group's business;
- permits, licences, approvals and authorisations;
- the Group's exposure to the risk of changes in laws in the jurisdictions where it operates;
- working with local communities and indigenous peoples on property onshore;
- applicable corporate tax regimes;
- tax regimes in certain jurisdictions are subject to differing interpretations and are subject to change;
- foreign currency exchange risk;
- governmental regulation;
- environmental regulations;
- climate change;
- country specific political risk – United States and Nigeria;
- share price volatility;
- discretion in the use of proceeds;
- the Company is incorporated in Canada, and as such is subject to Canadian company law;
- liquidity of the Common Shares and realization of investment in Common Shares;
- dilution and further sales of Common Shares; and
- risks relating to the application of Canadian takeover bid rules.

The Company has also made assumptions regarding, among other things, the willingness of operators to conduct operations on certain properties in foreign jurisdictions; future oil and gas prices or cost of products sold; ability to obtain required capital to finance exploration, development and operations; the ability to maintain sufficient funds to continue to the operations of the Group; the timely receipt of any required regulatory approvals; ability to obtain drilling success consistent with expectations; the ability of Group to secure adequate product transportation; no material variations in the current tax and regulatory environments; and the ability to obtain equipment, services, supplies and personnel in a timely manner to carry out its activities. Forward-looking statements and other information contained herein concerning the oil and gas industry and the Company's general expectations concerning this industry are based on estimates prepared by management of the Company, using data from publicly available industry sources as well as from reserve reports, market research, industry analysis as well as on assumptions based on data and knowledge of this industry, which the Company believes to be reasonable. Although this data is generally indicative of relative market positions, market shares and performance characteristics, it is inherently imprecise. While the Company is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

The above summary of major risks and assumptions, related to forward-looking statements included or incorporated by reference in this Prospectus has been provided for readers to gain a more complete perspective on the Group's future operations. However, readers should be cautioned that the above list of factors is not exhaustive and that this information may not be appropriate for other purposes.

Prospective investors are advised to read, in particular, the parts of this Prospectus entitled Part III (*Risk Factors*), Part VIII (*Information on the Group*), Part X (*Industry Overview*) and Part XII (*Financial Information on the Group*) (including the information incorporated by reference therein) for a more complete discussion of the factors that could affect the Group's future performance and the industry in which the Group operates. In the light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this Prospectus may not occur.

The forward-looking statements contained in this Prospectus speak only as of the date of this Prospectus. The Company, and the Directors expressly disclaim any obligations or undertaking to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, unless required to do so by applicable securities laws, including the Prospectus Regulation Rules, the Listing Rules, or the Disclosure Guidance and Transparency Rules, or as otherwise required by the FCA or the London Stock Exchange.

The forward-looking statements contained in this Prospectus are expressly qualified by this cautionary statement. However,



none of the forward looking statements contained in this Prospectus in any way seek to qualify the working capital statement contained at Section 17 of Part XIX (*Additional Information*) of this Prospectus.

**Website**

Unless specifically incorporated by reference herein, the contents of the Company's website (<http://www.canoverseas.com/>) including any websites accessible from hyperlinks on the Company's website, do not form part of this Prospectus.

Part VIII  
-  
**INFORMATION ON THE GROUP**

**1. BUSINESS OVERVIEW**

A1, 5.1  
A1, 5.1.1  
A1, 5.2

The Company is a publicly traded oil and gas company listed on the CSE under the symbol “XOP” and the London Stock Exchange under the symbol “COPL”.

The Company is an international oil and gas exploration/appraisal, development and production company focused in the United States and sub-Saharan Africa. The Company focuses on opportunities that its seasoned technical team has strength in evaluating, acquiring and developing.

***Wyoming, United States***

On 16 March 2021, the Company completed the acquisition of Atomic and its affiliated entities, and on 26 July 2022, the Group completed the acquisition of the Cuda Interests. Following the completion of the Atomic Acquisition and the Cuda Acquisition, the Company now has an operating interest in the Powder River Basin of Wyoming, United States consisting of 42,415.55 acres (gross) of contiguous leasehold, which include two oil production units: an 85.68% working interest in the BFSU and a 96.05% average working interest in the Cole Creek Unit as well as one unitized exploration area, the BFDU with an 85.52% average working interest.

The Group’s strategy for the Wyoming Assets is to increase the current oil production efficiently and cost effectively, hand in hand with maximizing the recovery of oil from the targeted reservoirs.

The total gross lease oil sales in the Wyoming Assets averaged 1,423 bbls/d in the third quarter of 2022 due to constraints at the BFSU surface facilities caused by the progression of the miscible front induced in the reservoir. Despite the positive reservoir response to the miscible flood program, the Company’s ability to optimize the field production rates and take advantage of the oil production response to the enriched gas injection is currently restricted. To handle these high pressures, upgraded surface facilities were installed to reduce the pressure of the associated gas production for entry to the field’s originally undersized gas gathering system. The Company’s engineers have reduced and redistributed the gas injection volumes to bring down the working pressures and thus allow for currently restricted oil production to increase from the horizontal well and other vertical wells. This process is working with flowing wellhead pressure down from 900 psi to 750 psi on restricted chokes. Oil production is expected to increase as working pressures decrease. The issues faced by the Company were unforeseen in the previous simulations as the reservoir is performing beyond the Company’s original expectations.

Despite this, high wellhead working pressures and proportionate increased produced gas volumes continued, causing issues downstream of the wells in the gas gathering system. This caused oil production to be restricted to previous levels. Upgrades to the gas gathering system are being re-engineered in response to increases to predicted flowing pressures and produced enriched gas volumes observed in several wells currently that are above our current field simulations.

Primarily, field level work has concentrated on solutions to resolve the constraints on oil production, including: well conversions from pumping to flowing configurations, condensate treatments in lieu of hot oiling and chemicals to resolve paraffin build up from the perforations to the well head, partial flaring of produced gas volumes at certain wells, and direct gas line tie back to the BFSU gas plant of individual wells that are in close proximity. Three wells were converted from pumping to flowing configurations in late June and July 2022 with a fourth well in line for conversion soon.

As well, the first two of the above-noted converted wells has been tied-in directly to the gas plant and is on production, with another well shortly to follow. This will mitigate enriched gas losses at these high production wells due to flaring and maximizing the recovery of enriched gas for reinjection.

The Company announced a material increase to its Proved Reserves (“**1P Reserves**”) and Proved Reserves plus Probable Reserves (“**2P Reserves**”) and 1P and 2P discounted net revenue before tax (“**NPV**”) resulting from the acquisition of the Cuda Interests. The Company has received the Ryder Scott Report prepared by Ryder Scott dated 2 September 2022 and effective as at 31 July 2022 to reflect the addition of the Cuda Interests acquired on 26 July 2022. The Ryder Scott Report is compliant to Canadian regulatory requirements pursuant to NI 51-101. Material increases to COPL’s 2P Reserves and NPV from those as at 31 December 2021 were due to the addition of the complimentary Cuda Interests and the increase in crude oil prices as at 31 July 2022, which were as follows:

- Net working interest (“WI”) 1P Reserves after royalties increased 47.2%;
- Net WI 2P Reserves after royalties increased 38.5%;
- Discounted 1P NPV increased 93.2%;
- Discounted 2P NPV increased 90.8%;
- Net 1P Reserves unit value increased 31.2%, and
- Net 2P Reserves unit value increased 37.8%.

**As at 31 December 2021 and updated 31 July 2022**

- Net WI Total (1P) Proved Reserves (boe): 11,730,222 as at 31 December 2021 (17,272,220 as at 31 July 2022)
- Net WI Total (2P) Proved Reserves plus Probable Reserves (boe): 22,636,519 as at 31 December 2021 (31,348,608 as at 31 July 2022)
- Total 1P NPV at 10% (US\$M): \$131,893 as at 31 December 2021 (\$254,833 as at 31 July 2022)
- Total 2P NPV at 10% (US\$M): \$257,860 as at 31 December 2021 (\$492,073 as at 31 July 2022)
- Net 1P Reserves Unit Value at 10% (US\$/boe): \$11.24 as at 31 December 2021 (\$14.75 as at 31 July 2022)
- Net 2P Reserves Unit Value at 10% (US\$/boe): \$11.39 as at 31 December 2021 (\$15.70 as at 31 July 2022)

The Company made an application (the “**Application**”) to the WOGCC to temporarily flare additional gas at its operated BFSU miscible flood project. COPL has previously disclosed the BFSU miscible flood is performing beyond its expectations, which was also outlined in the Application. The issues facing the Company are unexpected very high pressures on certain producing wells. These high pressures have caused safety issues during work overs, at well site production facilities and with the current gas gathering system in addition to restricting oil production. Temporary gas flaring at some or all of these wells would mitigate these issues until a field wide solution is engineered and implemented. Gas production from one of these wells has recently been tied directly into the gas plant to reduce the load on the gas gathering system. Two additional wells will also be tied directly into the gas plant after recent receipt of direct right of way consent from the surface land owner. Once completed these actions will mitigate the high-pressure effects on three of the current 5 wells with the issue, and current flared gas volumes will also be reduced. As the miscible bank continues to move across the field, certain wells will respond as simulated but some are more than likely to respond similarly to the current wells causing the issues at hand.

On 11 October 2022, the Company received official verbal approval from the WOGCC to flare up to 540 MMcf (3,000 Mcfd) for 180 days on a group of 20 wells in the BFSU. Flaring more gas from this group of wells will help to alleviate some of the gas gathering system constraints and result in additional oil production.

Flaring has been increased on the BFSU 44-21V and BFSU 21-35H wells and field personnel will continually optimize flare rates to stay within the approved limits. The next wells that will have flare volumes increased will be the BFSU 34-20V and BFSU 23-27V.

Prior to the October hearing with the WOGCC, the Company entered into a settlement agreement with Canyon Isle to connect two producing wells (BFSU 23-27V and BFSU 44-21V) directly to the BFSU gas plant within 90 days of the flaring permit approval. While the BFSU 23-27V will be connected to the BFSU gas plant with its own dedicated 3” steel line, the decision was made to connect the BFSU 44-21V well as part of the main trunkline of the improved gas gathering system. This well will be tied into the gas plant by upgrading a portion of the main trunkline to a new 8” steel line.

Production at the Cole Creek Unit (96.05% WI) is approximately 80 bbls/d and the 100% WI Dakota deep production well continues to produce 20 bbls/d at stable production rates. Stimulation of this Dakota well on completion was not possible due to pressure limitations in the production casing up hole due to prior completions in the Frontier 1 and Frontier 2 sands. Performance of this well is encouraging for enhanced production from future stimulated horizontal wells. The Company is going to re-complete the Cole Creek 11-27 well for oil production in the Frontier 1 zone to test its potential and create proven and probable oil reserves within that zone. The Company is also planning on drilling two horizontal well offsets in the BFSU in early 2023.

In 2014, the Company formed a joint venture company with Shoreline, in line with the Company's strategy to diversify and balance its asset portfolio to generate stable cash flow from secure assets. The Company and Shoreline each hold a 50% interest in the jointly controlled company, ShoreCan, which was incorporated on 24 October 2014. Neither party has a veto right or equivalent "golden share" in ShoreCan. ShoreCan's board is comprised of four directors, Arthur Millholland and John Cowan (being the Company's nominee directors) and Kola Karim and Tunde Karim (being Shoreline's nominee directors). ShoreCan is focussed on acquiring upstream oil and gas exploration, development and producing assets in Africa.

The Company's wholly owned subsidiary, COPL Technical Services Limited provides engineering, geological, geophysical and legal and accounting services to ShoreCan, which, in turn, flows through to Essar Nigeria. Shoreline provides in country-Nigerian legal and accounting services to ShoreCan in addition to managing government relations. Representatives of both these companies are directors of Essar Nigeria, namely, Kola Karim (as Chair), Tunde Karim (as Chief Executive Officer) and Arthur Millholland (as Chief Operating Officer) in addition to a nominee director of Essar Mauritius, Ashish Kumar.

On 2 October 2018, the NNPC granted a conditional approval of a twenty-four months extension for the Phase-1 exploration period until 30 September 2020. The extension is subject to certain conditions, including submission of a performance bond of \$7 million that is required further to the Production Sharing Contract, to cover the Phase-1 exploration period work program at OPL 226.

On 4 August 2020, the Company announced that ShoreCan and Essar Mauritius entered into a sale and purchase agreement, and other agreements, with each other concerning, among other things, their respective obligations under the Essar Nigeria Shareholders Agreement. See Section Part VIII5.2(c) (*OPL 226 – Settlement Transaction*) of Part VIII (*Information on the Group*).

Essar Nigeria, has applied to the concessionaire and the regulator for an extension of the exploration period under the OPL 226 PSC beyond the term ending 30 September 2020.

On 26 October 2020, the Company announced that ShoreCan and Essar Mauritius agreed to extend the completion date of the definitive agreements between the parties announced on 4 August 2020 to 29 January 2021. On 1 February 2020, the Company announced a further extension of such agreements to 30 April 2021. The parties have since, on separate occasions agreed to extend the completion. Since that time there have been no further developments with the joint venture partners, the disputes or formal communication from the authorities in Nigeria. Accordingly, the Company's efforts in Nigeria are currently on hold.

## 2. COMPANY HISTORY

### 2.1 *Company history and background*

Since the beginning of 2019, the following key milestones have occurred:

#### *2019*

On 29 March 2019, the Company announced that its Nigerian affiliate had accepted a term sheet from a recognized Nigerian bank for the provision of a USD\$ 7 million performance bond which would meet the principal condition of the 24<sup>th</sup> month extension of Phase 1 of the OPL 226 PSC which ran until October 2020.

In March 2019, the Company's Nigerian affiliate signed a non-binding letter of intent with an offshore drilling contractor for a new build high spec jack-up drilling rig. The rig was undergoing testing and final inspections before its acceptance by the contractor. Successful completion of these tests was one of the Affiliates' conditions in moving forward in the contracting process.

For the purposes of funding its ongoing general and administrative expenses, during the second quarter of 2019, the Company completed a placement of 4,970,000 Common Shares, at a price of £0.1 per Common Share to raise aggregate gross proceeds of £497,000. The placing was completed in two tranches. In connection with the placing, the Company also issued 49,700 broker warrants, exercisable at a price of £0.15 per Common Share until 4 June 2021.

To further supplement the funds needed to support the Group's ongoing general and administrative expenses, in September 2019, the Company completed a placement of 5,000,000 new Common Shares to UK investors at a price per share of £0.1 per Common Share, to raise gross proceeds of £0.5 million. The Company paid a commission to Tennyson Securities of 6.0% of the gross proceeds from the placement and granted 50,000 warrants, exercisable at a price of £0.15 per Common Share until 4 September 2021.

#### *2020*

On 21 February 2020, the Company announced it entered into the Promissory Note, effective 14 February 2020, with Arthur Millholland, President and CEO of the Company, for a principal amount of \$0.15 million (CAD 200,000) at a rate of ten per cent (10%) per annum.

On 27 March 2020, Essar Mauritius filed a claim in the High Court of Justice of England and Wales. Essar Mauritius sought in its claim to terminate the Shareholders' Agreement and the Share Purchase Agreement dated 17 August 2015 and the resulting transfer of its shares in Essar Nigeria to ShoreCan. Essar Mauritius also claimed USD 63 million of damages in respect to historic amounts invested in Essar Nigeria for the OPL 226 project.

On 30 April 2020, the Company announced that it had entered into a placing with YARF to conditionally raise proceeds of up to £2,000,000 (approximately \$1.6 million). The placing consisted of an upfront tranche of £725,000, comprising 10,357,142 Common Shares at a subscription price of £0.07 per Common Share. The gross proceeds of the placing would have been pledged to YARF pursuant to the terms of an Equity Sharing Agreement entered into between the Company, YARF and Arthur Millholland (the "ESA"). The ESA would have entitled the Company to receive the gross proceeds on a pro-rata monthly basis over a period of 8 months, subject to adjustment upwards or downwards depending on the Company's share price on the London Stock Exchange each month. Given the volatility and weakness in the Company's share price since late February of 2020, exacerbated by current macro-economic events outside of the Company's control such as the COVID-19 pandemic and the oil price war between the Russian Federation and Saudi Arabia, there was no guarantee that the Company's share price would remain above 0.14 pence.<sup>1</sup>

On 4 June 2020, the Company announced that ShoreCan had reached an agreement in principle (the "**In Principle Settlement Agreement**") with Essar Mauritius on a way forward to resolve their disputes with each other concerning, among other things, their respective obligations under the Essar Nigeria Shareholders Agreement. The In Principle Settlement Agreement instigated an immediate stay in proceedings of the claim filed by Essar Mauritius against ShoreCan in the High Court of Justice of England and Wales. In addition, pursuant to the terms of the In Principle Settlement Agreement, Essar Nigeria, with the full support of its shareholders, sought an extension of the OPL 226 PSC beyond the term ending 30 September 2020. Furthermore, the In Principle Settlement Agreement set out agreed amendments to the Essar Nigeria

<sup>1</sup> Price is pre-Share Consolidation.

Shareholders Agreement to include (i) ShoreCan to transfer 70% of the shares in Essar Nigeria to Essar Mauritius; (ii) Essar Mauritius to carry ShoreCan for a 10% carried interest (capped at USD\$ 5 million net) on all costs relating to the drilling of the first Appraisal Well to be drilled under the terms of the OPL 226 PSC; and (iii) ShoreCan to have an option to increase its shareholding in Essar Nigeria from 10% to 30% by paying 20% of historic expenditures of Essar Nigeria at cost through the drilling of the first appraisal well. The terms of the In Principle Settlement Agreement were conditional on the parties finalising definitive documentation to reflect the terms and completing the transactions contemplated by the In Principle Settlement Agreement within 35 days.

On 15 June 2020 the Company announced that it had, pursuant to the terms of the ESA, terminated the ESA having entered into an agreement with YARF and Arthur Millholland governing the terms of an unsecured facility (the “**Credit Facility**”) of up to £600,000 (the “**Loan Agreement**”). Pursuant to the terms of the Loan Agreement, YARF agreed to conditionally advance an amount equal to £136,000 (less fees and deductibles pursuant to the terms of the Loan Agreement) following a written drawdown request from the Company, such request specifying a drawdown date being no earlier than the first trading day following the execution of the Loan Agreement. £36,000 of the advance was to be repaid by the Company by way of an issuance Common Shares to YARF at £0.30 per share.

The Credit Facility bore interest at a fixed rate of 10%, payable on the amount outstanding on repayment of the first drawdown. Pursuant to the terms of the Loan Agreement, the Company could elect to pay the interest payment in Common Shares to be issued at £0.30 per share at a fixed rate of 12.5% of the Credit Facility amount which it was agreed would be issued to YARF on completion of the 2 July 2020 Placing. Under the Loan Agreement, the Company provided various warranties, customary for an agreement of its nature to YARF and YARF provided warranties to the Company, among others, as to their status.

Further, pursuant to the terms of the Loan Agreement and subject to completion of the funding pursuant to the 2 July 2020 Placing, the Company agreed to issue to YARF warrants to purchase 1,000,000 Common Shares for an exercise price of \$0.39 per share (the “**YARF Warrants**”). The YARF Warrants were exercisable for 24 months from the date of the 2 July 2020 Placing. In addition, the Company agreed to pay YARF’s legal fees up to a maximum of £13,000 (excluding VAT) in legal fees, £5,000 (excluding VAT) of which has been paid by the Company as at the date of this Prospectus.

On 23 June 2020, the Company announced that it had entered into a non-brokered subscription agreement dated 22 June 2020 (the “**Initial Placing**”) for a £700,000 common share placing at £0.30 per Common Share. The Company agreed to pay a finder’s fee of £35,000 cash and issue 125,000 common share purchase warrants exercisable for 24 months at an exercise price of £0.39 to Shore Capital Stockbrokers Limited.

On 29 June 2020, the Company announced it had entered into a further non-brokered subscription agreement dated 28 June 2020 for a £500,000 common share placing (together with the Initial Placing, the “**2 July 2020 Placing**”) at £0.30 per Common Share. This placing was an upsize to the Initial Placing announced on 23 June 2020. The Company agreed to pay a finder’s fee of £35,000 cash and issue 125,000 common share purchase warrants exercisable for 24 months at an exercise price of £0.39 to Shore Capital Stockbrokers Limited.

On 2 July 2020, further to a Prospectus approved by the FCA on 26 June 2020 (the “**June 2020 Prospectus**”), the Company closed the 2 July 2020 Placing of 4,000,000 new Common Shares at a placing price of £0.30 per share, for gross aggregate proceeds of £1.2 million. In respect of the 2 July 2020 Placing, the Company paid in cash a finder’s fee of £70,000 (in aggregate) and other fees of £3,500 and granted, as compensation to the finder in 250,000 common share purchase warrants (in aggregate) expiring on 2 July 2022, at an exercise price of £0.39 per share.

On 2 July 2020, Mr. Gaffney assumed the position of Chief Financial Officer of the Company. Mr. Gaffney had been acting as interim Chief Financial Officer since 6 June 2020.

Further, on 2 July 2020, the Company issued to YARF a total of 385,000 Common Shares in lieu of cash payments of £115,500 at a deemed price of £0.30 per share, in respect of repayment of a portion of the first drawdown of the Credit Facility of £36,000 (120,000 Common Shares) and interest on the Credit Facility of £79,500 (265,000 Common Shares). In addition the Company granted, as compensation to YARF, a total of 1,000,000 common share purchase warrants expiring on 2 July 2022, at an exercise price of £0.39 per share.

On 10 July 2020, the Company announced that ShoreCan and Essar Mauritius had agreed to extend the backstop date to 20 July 2020 to enter into definitive documentation to resolve their disputes concerning, among other things, their respective obligations under the Essar Nigeria Shareholders Agreement. The agreement to extend the backstop date also extended the immediate stay of proceedings of the claim filed by Essar Mauritius against ShoreCan in the High Court of Justice of England and Wales. The backstop date and associated stay on the High Court claim was subsequently extended to 4 August 2020, pursuant to the Company's announcement on 21 July 2020.

On 14 July 2020, further to debt exchange arrangements and a finder's fee to Ami Assets S.A. as stipulated in the June 2020 Prospectus, the Company announced it had issued a total of 2,685,122 Common Shares. 160,000 Common Shares were issued to Ami Assets S.A. in lieu of a cash finder's fee.

On 20 July 2020, the Company announced it had entered into agreements with two institutional investors and two high net worth private investors to raise gross proceeds of £1.3 million in another non-brokered placing at a placing price of £0.30 per share (the "**Subsequent July 2020 Placing**") and also entered into agreements with historic creditors which resulted in the Company repaying approximately USD 1,600,000 of historic debt.

On 22 July 2020, the Company announced it had issued 4,333,333 Common Shares pursuant to the Subsequent July 2020 Placing, raising £1.3 million in gross proceeds and issuing 1,840,968 Common Shares to creditors of the Company pursuant to debt exchange arrangements stipulated in the June 2020 Prospectus. Pursuant to the Subsequent July 2020 Placing, the Company agreed to pay in cash a finder's fee of £91,000 and to grant 325,000 share purchase warrants to Ami Assets S.A., expiring on 24 July 2021, at an exercise price of £0.39 per share.

On 4 August 2020, the Company announced that ShoreCan had executed definitive agreements with Essar Mauritius to resolve their disputes. ShoreCan and Essar Mauritius entered into a sale and purchase agreement pursuant to which ShoreCan will return 70% of the shares in Essar Nigeria to Essar Mauritius in addition to other agreements concerning their respective obligations under the Essar Nigeria Shareholders Agreement. Essar Nigeria applied in early June 2020 to NNPC for an extension of the exploration period under the OPL 226 PSC beyond the term ending 30 September 2020. Completion of the definitive agreements entered into is subject to the grant of such an extension and other customary completion conditions.

On 24 September 2020, the Company provided an update on its drilling licence extension for OPL 226. The Company announced it was confident that it would receive confirmation of an extension to its exploration licence during the first half of 2021, the delay believed to be caused by COVID-19 bureaucracy pressures within the NNPC. To date, no notice of termination has been received by Essar Nigeria, which under the terms of the OPL 226 PSC would need to be issued sixty days before the 30 September 2020 expiry date. The two previous extensions to the drilling license at OPL 226 were also received by Essar Nigeria following the previous expiration dates.

On 29 September 2020, the Company announced that the Board had approved the granting of 3,416,092 stock options of the Company effective from 14 September 2020. The stock options were granted under the Company's Stock Option Plan at an exercise price of £0.35 per share to the Company's Directors, officers and employees and expire five years from the date of grant.

On 26 October 2020, the Company announced that Shorecan and Essar Mauritius had reached an agreement to extend the completion date of the definitive agreements between the parties announced on 4 August 2020 to 29 January 2021.

On 16 December 2020, the Company entered into a stock and membership interest purchase agreement with James W. Williams, Jr. pursuant to which, the Company agreed to purchase from James W. Williams, Jr. all of the issued and outstanding capital stock of Atomic and membership interests of SWP for consideration of USD 54,000,000 consisting of assumed debt, cash and Common Shares (the "**Atomic Acquisition**"). As part of the Atomic Acquisition, the Company acquired Pipeco, a wholly owned subsidiary of Atomic. Pursuant to the terms of the Atomic Acquisition, the Company made a non-refundable deposit of USD 1,000,000 followed by two further payments of USD 4,000,000; the first on 31 December 2020 and the second on 7 January 2021. The Atomic Acquisition's effective date was 1 December 2020. The Atomic Acquisition is described in further detail below.

On 30 December 2020, the Company announced it had entered into non-brokered subscription agreements with institutional investors and high net worth individuals for a £6 million unit placing (the “**December 2020 Placing**”) at a placing price of £0.20 per Unit. Pursuant to the terms of the December 2020 Placing, the Company agreed to pay a finder’s fee equal to 7% of the gross proceeds of the December 2020 Placing in 2,850,417 Common Shares at the Initial Atomic Placing Price and also grant 3,054,018 Common Share purchase warrants to Ami Assets S.A. expiring on 8 January 2022 at an exercise price of £0.26 per share.

## 2021

On 8 January 2021, the Company announced that it had entered into a follow-on non-brokered private placement to the December 2020 Placing to raise additional gross proceeds of £3,000,000 subsequent to the December 2020 Placing announced by the Company on 30 December 2020 (together with the Subsequent Fundraise being the “**Initial Atomic Placing**”). The Subsequent Fundraise of Units with institutional investors and high net worth private investors was completed on the same terms as the December 2020 Placing. In addition, the Company paid a cash commission to Shore Capital Stockbrokers Limited of 7.0% of the £500,000 proceeds from the Shore Placees, such commission being equal to £35,000, together with common share purchase warrants equal to 7.5% of proceeds from the Shore Placees exercisable for 12 months at an exercise price of £0.26. The total gross proceeds of the non-brokered private placement of Units under the Initial Atomic Placing is £8,900,000 (\$12.0 million).

On 21 January 2021, the Company announced the signing of a term sheet dated 19 January 2021 for the provision of the Senior Credit Facility in the amount of USD 65,000,000 to finance the closing of its previously announced Atomic Acquisition, including the provision of USD\$ 45,000,000 to pay for the Atomic Acquisition. The Company further announced the additional USD 20,000,000 under the facility would be used to fund future developments at the sole discretion of the lender.

On 1 February 2021, the Company announced that Shorecan and Essar Mauritius reached an agreement to extend the completion date of the definitive agreements between the parties to 30 April 2021. The parties have since, on separate occasions agreed to extend the completion, most recently to 31 December 2021.

On 8 February 2021, the Company announced the repayment in cash on 5 February 2021 of £400,000, being the final balance due under the Loan Agreement previously announced on 15 June 2020.

On 18 February 2021, the Company announced that the USD\$ 65,000,000 credit facility, previously announced on 21 January 2021 had been approved by the investment committee of the lender and disclosed that the term of the facility would be four years and subject to typical lending conditions for the term of the facility. As previously announced, the facility has a base size of US\$45,000,000 and an additional possibility to utilise USD\$ 20,000,000 to fund future developments at the sole discretion of the lender. A drawdown under the facility agreement would allow the Company to complete the Atomic Acquisition and render the remaining USD\$ 41,000,000 cash component outstanding to complete the Atomic Acquisition.

On 8 March 2021, the Company announced a fundraising by way of a common share placing in the Company to raise net proceeds of approximately £13,000,000 (the “**March 2021 Placing**”). The Company and Tennyson Securities executed an engagement letter dated 3 March 2021 under which Tennyson Securities would act as the Company’s lead broker in connection with the March 2021 Placing.

On 8 March 2021, the Company announced that it and Tennyson Securities had entered into a placing agreement dated 8 March 2021 (the “**March 2021 Placing Agreement**”) to outline the appointment of Tennyson Securities as placement agent to the Company in connection with the March 2021 Placing. Under the March 2021 Placing Agreement, the Company agreed to pay to Tennyson Securities a fixed placing commission of six per cent of the gross value of the funds raised pursuant to the March 2021 Placing, and the grant of warrants to Tennyson on the basis of such number of Common Shares equal to six percent of the number of shares placed under the March 2021 Placing.

On 8 March 2021, the Company announced that it and Tennyson Securities had entered into a brokerage agreement dated 8 March 2021, and with an effective date of 1 January 2021 (the “**Tennyson Brokerage Agreement**”) to outline the appointment of Tennyson Securities as a non-exclusive broker to the Company for a minimum period of 12 months. See Section 10.3 (*Tennyson Brokerage Agreement*) of Part XIX (*Additional Information*).



On 9 March 2021, the Company announced that it had completed the March 2021 Placing of 43,750,000 new Common Shares to institutional and high net worth private investors and family offices at a price per share of £0.32 per Common Share, to raise gross proceeds of £13.3 million. The Company paid a commission to Tennyson Securities of 6.0% of the gross proceeds from the placement and granted 2,625,000 broker warrants, exercisable at a price of £0.32 per Common Share and expiring on 9 March 2023. The Company further announced that the net proceeds of approximately £13,000,000 would be used for working capital required by the Company to complete the previously announced Atomic Acquisition and for general corporate purposes.

On 16 March 2021, the Company announced that it had completed the previously announced Atomic Acquisition after the close of the London market on 16 March 2021. The Company further announced that the Atomic Acquisition amounted to a reverse takeover under the Listing Rules and that the Company had made an application to the FCA to suspend its listing conditional upon the Atomic Acquisition becoming wholly unconditional. Listing of the Common Shares was to remain suspended until such time as the Company either publishes a prospectus relating to the Atomic Acquisition or submitted a restoration request for approval by the FCA.

In connection with the Atomic Acquisition, the Company paid an aggregate of USD\$ 54 million in consideration comprised of the following: (i) a non-refundable US\$1 million deposit paid on 16 December 2020, (ii) an initial payment of a refundable deposit of USD\$ 8 million in two payments of USD\$ 4,000,000, the first on 31 December 2020 and the second on 7 January 2021; (iii) assumed debt in the amount of USD\$ 26 million settled at closing by the Senior Credit Facility Agreement (see below), (iv) cash in the amount of USD\$ 15 million, and (v) 8,188,733 Common Shares representing \$4 million of the purchase price. The Company's wholly owned subsidiaries, COPL America and COPL America Holding entered into the Senior Credit Facility Agreement to finance the Atomic Acquisition.

The Senior Credit Facility Agreement provides for a total senior secured term loan facility of USD\$ 65,000,000 bearing interest at a rate of LIBOR + 10.50% (subject to a 2.00% LIBOR floor) per annum and with a maturity date of 16 March 2025. COPL America Holding, COPL America, Atomic, SWP and Pipeco granted a first priority perfected security interest in all of their respective owned and hereafter acquired property including all oil and gas and equity interests to the Lender and agent.

The Senior Credit Facility Agreement provides COPL America with a base loan facility of USD\$ 45,000,000 to fund the Atomic Acquisition and associated refinancing, to retire trade payables owed by Atomic and its affiliates, to fund cash liquidity into COPL America and/or to pay financing fees and transaction and legal costs in relation to negotiating the Senior Credit Facility Agreement and facilities thereunder.

The loan facility provided under the Senior Credit Facility Agreement provides COPL America with additional flexibility to utilize up to USD\$ 20,000,000 to fund future developments, the approval of which are at the sole discretion of the Lender. The process for utilizing the additional incremental amounts (up to USD\$ 20,000,000) is subject to further notice to the Lender under the Senior Credit Facility Agreement and requires COPL America to enter into additional loan documentation to evidence these additional amounts.

Under a separate warrant agreement dated 16 March 2021, the Lender was granted five warrants representing 5% of the common shares of COPL America for \$0.01 per common share (the “**Lender Warrant Agreement**”). On maturity or 60 days after repayment of the loan facility, the Lender would be entitled to redeem such warrants for an amount of cash equal to the greater of approximately 5% of the Company's market capitalization or 5% of the net asset value of COPL America at such time.

On 17 March 2021, the Company announced that the Atomic Acquisition completed after the close of London market on 16 March 2021. The Company reiterated its previously announced point that the Atomic Acquisition amounted to a reverse takeover under the Listing Rules. The Company referred to its previous conditional suspension request made to the FCA and noted that as the Atomic Acquisition had completed, the reverse takeover had become wholly unconditional and that the listing of the existing Common Shares would be suspended with effect from 7:30 am on 17 March 2021. The Company further announced that following the suspension taking effect, the Company intended to proceed to make a further application to the FCA under Listing Rule 5.6.19 to cancel the listing of the existing Common Shares from the Official List of the Main Market of the London Stock Exchange. After the time at which the cancellation request becomes effective, the Company intended for the enlarged group, being the Company (and its subsidiaries) and Atomic (and its subsidiaries) under the completed Atomic Acquisition to make an application for admission to the Official List of the London Stock Exchange (by way of a Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange's Main Market for listed securities. For the avoidance of doubt the cancellation request became effective immediately prior to, and contemporaneous with the re-admission contemplated under the listing application above.

On 18 March 2021, the Company announced further details regarding the completion of the Atomic Acquisition, which the Company described as significantly value enhancing with a transformational impact on the Company. In connection with the completion of the Atomic Acquisition, the Company has drawn an initial \$45,000,000 under the Senior Credit Facility Agreement to finance the Atomic Acquisition. The Senior Credit Facility Agreement has an accordion mechanism whereby up to \$20,000,000 may be drawn later in time subject to lender approval. Total consideration for the Atomic Acquisition was \$54,000,000 consisting of \$50,000,000 in cash and \$4,000,000 in shares in the Company. The Company, through its recent March 2021 Placing, provided SWP with \$9,000,000 of working capital.

On 19 March 2021, the Company announced that it intended to make a formal application to the FCA under the Listing Rules for the cancellation of the Company's listing of its existing Common Shares, ahead of a proposed listing application of the Common Shares of the Group following the Atomic Acquisition. The cancellation was to take effect immediately prior to, and contemporaneous with the re-admission.

On 17 August 2021, the Company was readmitted to the standard listing segment of the Official List, and to trading on the main market for listed securities of the London Stock Exchange. At the time of the readmission the Company released a significant trading update that stated the following:

- **Wyoming Operations:** The Company is Operator of 42,415.55 gross contiguous acres of leasehold in Converse and Natrona Counties in the State of Wyoming. Within the leasehold there are two (2) production Units: the Barron Flats Shannon Unit (85.68% WI) and the Cole Creek Unit (96.05% WI) and one unitized exploration area – the BFDU (85.52% WI).
- **BFSU:** Commencing on 1 April 2021, the Company implemented a plan to increase gas injection at the BFSU miscible flood project from 2,800 Mcf/d to 10,000 Mcf/d with the then planned peak injected volumes to be achieved in the 4th quarter of 2021. Due to better-than-expected injectivity response in mid-April, injection volumes were increased ahead of forecast peaking at 10,000 Mcf/d in the second week of June 2022. Increased gas injection volumes commenced on the eastern portion of the field in April 2021, balancing to the western area of the field through the period.

Oil production will continue to increase as crude oil production response on the west side of the field is being observed and as enhanced surface production facilities are installed on newly flowing wells in the eastern area to handle increased oil production volumes and accompanying higher flowing pressures

- **Cole Creek Unit:** The Company commenced a recompletion program at the Cole Creek Unit targeting low productivity wells in the Frontier Formation. Two (2) low productivity wells were recompleted at Cole Creek in July 2021 by re-fracing the Frontier 2 Sand reservoirs. Ten (10) additional wells have been identified for reworking. Total Cole Creek oil production was approximately 70 bbls/d in the third quarter of 2022.

The Company plans to re-complete the Cole Creek 11-27 well for oil production in the Frontier 1 zone to test its potential and create proven and probable oil reserves within that zone. The results of this re-completion could lead to the Frontier 1 being a significant producer at Cole Creek (and elsewhere). The results of the reworking campaign will be utilized to evaluate and design a future horizontal well depletion strategy for the Frontier reservoir at Cole Creek as a precursor to a miscible flood enhanced recovery scheme similar to the operating Barron Flats Shannon Unit miscible flood.

- **BFDU:** The Company has drilled at the BFDU Fed 14-30VF well location, exploration well at a depth of 9,212 feet with the primary objective to extend the Barron Flats Shannon Unit to the Southwest and to evaluate oil potential of the Frontier and Dakota Formations. The location was adjacent to and southwest of the Barron Flats Shannon Unit. This well intersected the Shannon reservoir and expanded and increased the oil reserves attributed to the Barron Flats Shannon Unit. In addition, the BFSU 14-30VF location offset an abandoned well, one (1) mile to the west, drilled in 1952 which appeared to have well developed apparent oil-bearing Frontier 1 and 2 sands and Dakota sands. The Frontier Formation was the primary objective in the exploration portion of this well, opening a new oil field development project close to the Company's existing oil production facilities.
- **Nigeria Operations:** On 4 August 2020, the Company announced that the shareholders of the Company's Nigerian affiliate had executed definitive agreements to resolve their disputes. Completion of these agreements is subject to the NNPC granting an extension of the exploration period under the OPL 226 PSC beyond the 30 September 2020. The Nigerian affiliate applied for this extension in June 2020. The Company understands that COVID-19 restrictions pertaining to travel and "in person" meetings continue to cause delays regarding the application within the NNPC and the DPR due to increases in protection measures to protect the Nigerian people from the increasing effects of the pandemic.

The Company's 50% owned joint venture company, ShoreCan and Essar Mauritius agreed to extend the completion date of the definitive agreements between the parties to 31 December 2021

There have been no further extensions or developments.

On 18 August 2021, the Company announced that its application to the Alberta Securities Commission, the Company's principal regulator for a management cease trade order was granted. The Company further announced that the management cease trade order was made to secure additional time for the Company to prepare its unaudited interim financial statements and the applicable Chief Executive Officer and Chief Financial Officer certifications in respect of such filings for the period ended 30 June 2021. The terms of the management cease trade order restricted all trading in securities of the Company by the Chief Executive Officer and the Chief Financial Officer of the Company until two full business days following the date the Company filed the interim filings and other related disclosures.

On 25 August 2021, the Company announced that it had issued Common Shares pursuant to exercises of warrants including: 2,175,000 Common Shares issued on 23 August 2021 and 5,850,000 Common Shares issued on 25 August 2021. The Company further announced that applications had been made to the FCA and London Stock Exchange for the 8,025,000 Common Shares to be admitted to the Official List and to trading on the London Stock Exchange's main market for listed securities. The admission to trading occurred at 8:00 am on 26 August 2021.

On 27 September 2021, the Company announced a 100 for 1 Share Consolidation date with a targeted record date of 30 September 2021.

On 1 October 2021, the Company announced the completion of the previously announced Share Consolidation which saw the Company's pre-Share Consolidation share capital of 16,426,953,124 Common Shares become 164,269,464 Common Shares on a post-Share Consolidation basis.

On 22 November 2021, the Company announced an increase by approximately 700 bbls/d of oil production (a 35% increase from the oil production announced on 15 November 2021) at the BFSU.

On 1 December 2021, the Company announced the completion of a common share placing in the Company of 30,250,000 Common Shares at a price of £0.20 per Common Share by Tennyson Securities to raise gross proceeds of approximately USD 8,000,000. The Company further announced that the net proceeds from the placement will be used for a bid for Cuda or the Cuda Interests and for general working capital purposes.

On 6 December 2021, the Company announced the appointment of Nigel Little as an independent non-executive Director to replace Viscount William Astor who stepped down from the Board with immediate effect after a six-year term.

2022

On 10 January 2022, the Company announced a conventional light oil discovery at the Wyoming Assets and provided an operational update on its Barron Flats Shannon Unit field production.

On 8 February 2022, the Company announced that the Board had approved the granting of 15,430,000 stock options of the Company effective from 29 January 2022. The stock options were granted under the Stock Option Plan at an exercise price of CAD 0.54 per share to the Company's Directors, officers and employees and expire five years from the date of grant.

On 6 April 2022, the Company announced that its subsidiary had entered into a third amendment and limited waiver dated 31 March 2022 from the Lender, subject to certain conditions, with respect to past defaults determined by the Lender in respect of the Senior Credit Facility Agreement. The Group continues to be subject to the terms of the Senior Credit Facility Agreement.

On 19 April 2022, the Company announced that its affiliate had signed an asset purchase and sale agreement to acquire the Cuda Interests. The Group had submitted bids on the Cuda Interests in a sales process mandated by a Receivership Order on Cuda and its affiliates by the Court of Queens Bench of Alberta in Canada and a Chapter 15 Recognition Order for Cuda by the United States Bankruptcy Court for the District of Wyoming. The Cuda Acquisition will be financed by a combination of cash and credit.

For the purposes of funding its facility upgrades and drilling activities and for general working capital, the Company further announced the completion of a placement of 49,930,000 units (the "**April 2022 Placing**") of the Company at a price of £0.20 (\$0.26) per unit for gross proceeds of £10.0 million (\$12.8 million). Each unit was comprised of one Common Share and one half of one common share purchase warrant. Each warrant entitled the holder thereof to purchase one additional Common Share at a price of £0.24 (\$0.31) per Common Share until 22 October 2022.

On 27 April 2022, the Company announced the appointment of Robert Chenery as an independent non-executive Director effective 1 April 2022.

On 3 May 2022, the Company announced that the Cuda Acquisition was approved in Canada by the Court of Queens Bench of Alberta on 29 April 2022. A hearing before the United States Bankruptcy Court for the District of Wyoming in respect of the Cuda Acquisition was scheduled for 26 May 2022.

On 6 June 2022, the Company announced that the Cuda Acquisition was approved by the United States Bankruptcy Court for the District of Wyoming on 3 June 2022.

On 26 July 2022, the Company announced that it had completed the Cuda Acquisition.

On 26 July 2022, the Company announced that it had completed the issue of 54,792,590 warrants and the issue of two series of convertible bonds (the "**Bonds**") with a principal amount of \$12.6 million maturing in 2024 and \$12.6 million maturing in 2025 at an issue price of 78%, or \$19.7 million (the "**July 2022 Placing**"). The Bonds carried an initial interest rate of 13.0% per annum in cash, which accrue and increase by 0.75% on a quarterly basis until the Company gives notice to the holders that it will henceforth pay all interest coupons in cash, upon which interest will decrease by 2.0% per annum. The warrants entitle the holder thereof to acquire a Common Share at £0.1675 per Common Share until 30 months from the date of issuance of the warrants. The July 2022 Placing proceeds were used to finance the Cuda Acquisition. See Section 9 (*Bonds*) of Part XIII.9.

On 8 August 2022, the Company announced that it had issued 5,895,000 Common Shares and 5,895,000 common share purchase warrants to its financial adviser and brokers in connection with the July 2022 Placing. Each warrant entitled the holder thereof to acquire one Common Share at £0.1675 per Common Share until 24 October 2022. The Company also announced that it had issued 9,995,002 Common Shares pursuant to a conversion of \$2,000,000 principal of the Bonds.

On 12 August 2022, the Company announced that it had issued 1,999,000 Common Shares pursuant to a conversion of \$400,000 principal of the Bonds.

On 25 August 2022, the Company announced that it had issued 1,999,000 Common Shares pursuant to a conversion of \$400,000 principal of the Bonds.

On 14 September 2022, the Company announced that SWP had made an application to the WOGCC to temporarily flare additional gas at the BFSU in Wyoming. SWP requested a continuance to a hearing scheduled by the WOGCC for 13 September 2022 in response to an objection to the application filed shortly before the hearing.

On 22 September 2022, the Company announced that it had issued 1,999,000 Common Shares pursuant to a conversion of \$400,000 principal of the Bonds.

On 12 October 2022, the Company announced that the WOGCC granted the application by SWP to temporarily flare additional gas volumes at the BFSU.

On 26 October 2022, the Company announced that it had issued 1,999,000 Common Shares pursuant to a conversion of \$400,000 principal of the Bonds.

On 21 December 2022, the Company announced a costless restructuring of its West Texas Intermediate (“WTI”) and Butane (“**Normal NC4**”) hedges effective 1 January 2023, as the Company prepares for senior debt refinancing in the first quarter of 2023. Highlights of costless hedge restructuring include:

- the Company’s current WTI swaps from January 2023 to June 2023 at a price of \$52.87/bbl for approximately 1,000 bbls/d have been cancelled;
- the Company’s Butane swaps from January 2023 to June 2023 have been reduced to a volume of 350,000 gallons/month at \$0.67/gal to align the volume subject to swaps to the Company’s planned injection forecast at the Barron Flats Shannon Unit miscible flood; and
- the net liability to unwind the above positions has been exchanged for new WTI swaps at an improved price of \$52.88/bbl from March 2024 to December 2024 on 1,000 bbls/d and for WTI puts to provide downside protection for the first half of 2023 on 750 bbls/d at \$60.00/bbl.

On 3 January 2023, the Company announced that it had completed the Winter Bond Financing and issued 12,760,572 warrants and additional 2025 Bonds in the principal amount of \$4 million at an issue price of 80%, or \$3.2 million. The warrants entitle the holder thereof to acquire a Common Share at £0.18 until 30 June 2026. The Group entered into an amendment and waiver in respect of the anticipated default of certain financial requirements under the Senior Credit Facility on 30 December 2022.

On 4 January 2023, the Company announced that pursuant to Anavio’s investment in the July 2022 Placing and the Winter Bond Financing, the full conversion of the Bonds held by Anavio would result in the issuance of Common Shares to Anavio representing 16.4% of the issued and outstanding Common Shares, calculated on a fully-diluted basis. The exercise of all warrants held by Anavio pursuant to the July 2022 Placing and the Winter Bond Financing would result in the issuance of Common Shares representing approximately 12.1% of the issued and outstanding Common Shares, calculated on a fully-diluted basis. See Section 9 (*Bonds*) of Part XIII.9.

On 6 January 2023, the Company announced that it had issued 2,526,846 Common Shares pursuant to a conversion of \$400,000 principal of the Bonds.

On 23 January 2023, the Company announced the first oil production from the Frontier 1 sands at its operated 100% WI Cole Creek Unit. Highlights include:

- first successful Frontier 1 oil completion at the Cole Creek Unit since Frontier 1 oil was first identified by the original Unit operator in 1943;
- 11-27-35n-77w well is currently pumping 125-135 bbl./d of fluid through 65' of unstimulated perforations, with gasified light oil cuts of up to 86% observed;
- well clean-up is continuing with near well-bore damage caused by invasion of significant volumes of light fresh water drilling mud during drilling 10.5 years ago;
- the Company expects conversion of Frontier 1 Prospective Resources to Contingent Resources and ultimately Reserves as additional producing wells come online;
- the Company has defined an "Oil Down To" elevation for the Frontier 1 at the Cole Creek Unit with an area of approximately 8,000 acres; and
- the Frontier 1 recompletion program at the Cole Creek Unit will continue with 4-27-35n-77w.

## 4. KEY STRENGTHS

The Directors believe that the Company has the following key strengths:

A1, 5.4

### 4.1 Assets

#### United States - Wyoming Properties

The following summary of Proven Reserves and Probable Reserves have been estimated for the Barron Flats Shannon Unit and Cole Creek pool by Ryder Scott in the Ryder Scott Report dated 31 July 2022:

CANADIAN OVERSEAS PETROLEUM LIMITED  
SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

FRI SEP 2 12:48:57 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

**GROSS RESERVES (COMPANY WORKING INTEREST RESERVES BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lb)	Non-Conv. Gas (MMcf)
Proved Producing	11,118,604	9,614,258	-	-	5,641	-	564,130	-	-
Proved Non-Producing	158,153	158,153	-	-	-	-	-	-	-
Proved Undeveloped	11,007,628	9,112,954	-	-	6,452	-	819,328	-	-
Total Proved	22,284,384	18,885,365	-	-	12,093	-	1,383,458	-	-
Total Probable	18,246,519	15,578,771	-	-	8,800	-	1,201,086	-	-
Total Proved Plus Probable	40,530,903	34,464,135	-	-	20,893	-	2,584,544	-	-

**NET RESERVES (COMPANY RESERVES AFTER ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lb)	Non-Conv. Gas (MMcf)
Proved Producing	8,883,209	7,507,579	-	-	4,409	-	440,861	-	-
Proved Non-Producing	121,059	121,059	-	-	-	-	-	-	-
Proved Undeveloped	8,467,952	7,010,757	-	-	4,968	-	629,205	-	-
Total Proved	17,272,220	14,639,396	-	-	9,377	-	1,070,066	-	-
Total Probable	14,076,387	12,023,173	-	-	6,777	-	923,702	-	-
Total Proved Plus Probable	31,348,608	26,662,569	-	-	16,154	-	1,993,768	-	-

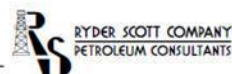
**DISCOUNTED NET REVENUE BEFORE TAX - (\$M)**

	0 %	5 %	8 %	10 %	15 %	20 %	Net Unit Value Disc. @ 10 % (\$/boe)
Proved Producing	437,975	248,746	194,958	170,201	126,195	104,235	19.80
Proved Non-Producing	2,108	2,047	1,915	1,815	1,564	1,339	14.99
Proved Undeveloped	294,579	150,270	104,482	82,817	47,003	28,139	9.78
Total Proved	734,662	401,062	301,355	254,833	177,762	131,713	14.75
Total Probable	675,086	377,158	282,313	237,240	161,682	116,400	16.85
Total Proved Plus Probable	1,409,748	778,220	583,668	492,073	339,444	248,112	15.70

GAS: 6.0 MCF/BOE

FILTER: COPL 9415-MID22RSV - 082022.XML

**RYDER SCOTT PETROLEUM CONSULTANTS**



A complete set of reserves tables are included in the Ryder Scott Report accompanying this Prospectus.

### 4.2 Management has a proven ability in appraising and developing oil and gas assets

The Company's management and technical teams have a proven ability in appraising and developing oil and gas assets. Certain members of the Company's team were formerly the senior management at the Chief Executive level and the senior technical team of Oilexco and its subsidiary companies. This team previously grew Oilexco's portfolio of exploration assets into a collection of producing assets which are still in production today. The Company's technical team includes key individuals for the former Oilexco geological and geophysical and reservoir engineering team. In the years between 2004 and 2008, Oilexco was a leading operator and driller of appraisal and exploratory wells on the UKCS. During this period, Oilexco drilled 92 exploratory and appraisal wells, 19 pilot wells and 9 production horizontal wells for a total of 120 wells with an approximate 75% success rate.

#### 4.3 *Technical expertise*

The Company's management team has extensive experience with AVO techniques to successfully differentiate oil from water in stratigraphic turbidite fan and channel prospects. Whilst at Oilexco the Company's team coupled new geological concepts with seismic AVO concepts that enabled it to map stratigraphic "Turbidite" prospects that had largely been ignored within the North Sea. It was determined that the amplitude variations seen on seismic data was due to contrasts in the "elastic" rock properties. These "elastic" properties included porosity, rock density and fluid fill (water or oil). These amplitude responses can be described by AVO attribute extraction and can be used to infer changes in rocks and the fluids contained within them. These techniques, that were originally developed in areas including the North Sea and Gulf of Mexico, have had practical application in similar targets in Liberia, Ghana and the Republic of Sierra Leone and should be applicable in the similar trends and conventional traps offshore, swamp and onshore areas of Nigeria and in the Powder River Basin, Wyoming where the Company's operations are focused.

The Directors believe that the Company's team is well known for its progressive approach to drilling wells, for quickly appraising its discoveries, and for monetizing those discoveries rapidly. Oilexco's goal was to bring a discovery from final appraisal to first oil in two years. The team successfully achieved these goals on the first two of its 100% development projects. This was achieved through the concept, design and completion of subsea engineering; the project management of the installation of flow lines, subsea manifold, booster pump and subsea pipeline to an owned and operated floating production facility. Production commenced at an initial rate of 30,000 bopd, and Oilexco was progressing with the planning and engineering of two additional FPSO development projects at the end of 2008.

#### 4.4 *Board has significant listed company experience*

The Board, a majority of which is independent and has a significant focus on corporate governance, has director level experience with companies listed on the TSX, TSX-V, CSE, LSE, AIM, NYSE, ASX and Oslo Stock Exchange. The independent Chairman has experience with NYSE and TSX-listed companies.

#### 4.5 *Listed on the CSE*

The Company is currently listed on the CSE, trading under the ticker "XOP", and has been since October 2018 following the Company's de-listing from the TSX-V where it had been listed since 2006.

### 5. OVERVIEW OF ASSETS AND PROJECTS

#### 5.1 *United States*

##### **Barron Flats Shannon Unit and the Cole Creek Properties**

The total Company net assets acquired following completion of the Cuda Acquisition include 40.5 million barrels of oil or equivalent of 2P Reserves in the Powder River Basin in the State of Wyoming.

The Company's holdings now include a 85.68% operated working interest in the wells in the BFSU and a 96.05% operated working interest in the wells in the Cole Creek Unit. In December 2019, enriched hydrocarbon gas miscible flooding commenced on the BFSU. Between 2017 and mid-2021, production increased from 200 bbls/d to more than 1,900 bbls/d with a forecasted 2P production rate plateau in the BFSU of more than 4,000 bbls/d in 2026.

With respect to the Cole Creek Property (including Unit and Non-Unit), significant development drilling is expected to begin in 2023, with enhanced recovery ("EOR") potentially commencing upon production plateauing at the BFSU. Forecasted production from the property is more than 4,800 bbls/d under the 2P reserve case in 2027 as a result of development drilling. Any EOR improvements would be additional to this expected production. Furthermore, the reserves attributed to the Cole Creek property do not consider the highly prospective Frontier 1 interval which is expected to be tested in early 2023 with a re-completion opportunity in an existing wellbore. However, initially, up to 17 cased oil wells (many currently suspended) will be re-completed and put back onto production.

These producing oil assets (Barron Flats and Cole Creek) are at the beginning of their 40+ year life with increasing production to a future production plateau. Together, the August 2022 (post Cuda Acquisition) production rate of 1,277 bbls/d (Company gross) is expected to rise to 2,500 bbls/d (Company gross) in 2023 and about more than 7,200 bbls/d (Company gross) in 2026 (2P reserve case, Ryder Scott Report). The produced crude oil is light (38.7°API) and sweet.

A1, 5.7.2  
TN, 132(d)

TN, 132(b)

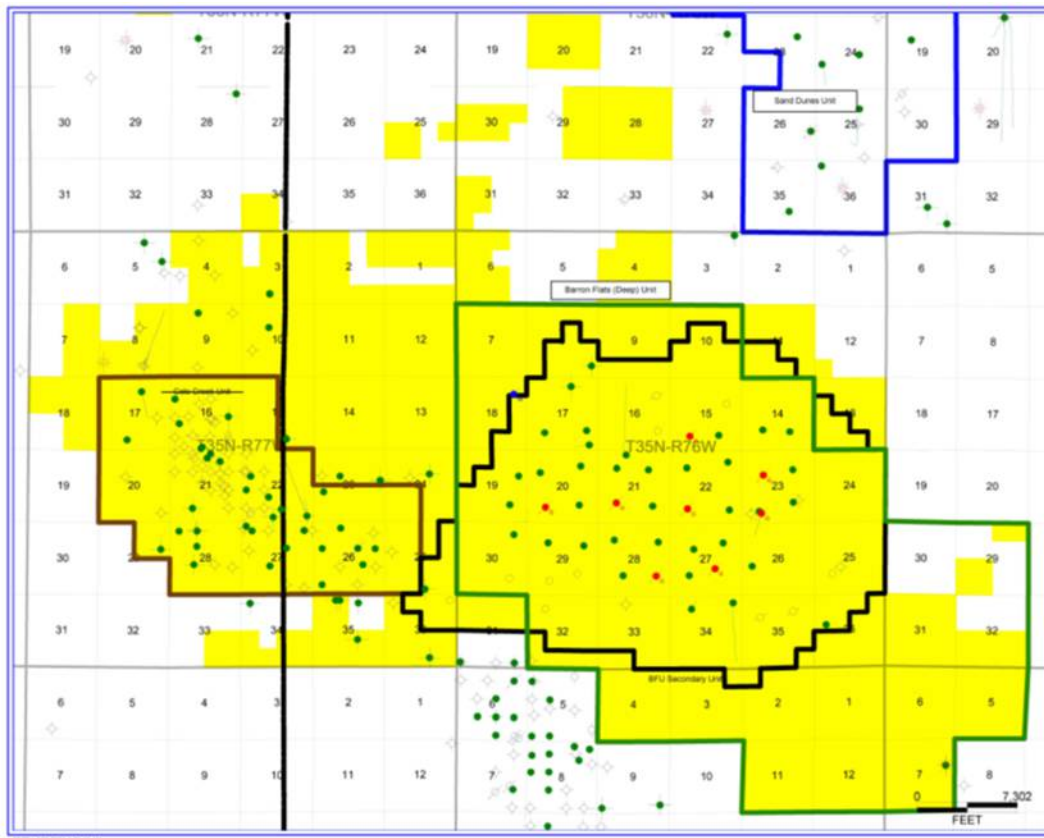


Figure above indicates the Barron Flats Shannon Unit wells within the Unit Boundary (black outline). Green dots are producing Shannon oil wells and red dots are Shannon gas injection wells.

### **Barron Flats Shannon Unit**

The BFSU is located in Township 35 North, Range 76 West in Converse County, Wyoming and situated within the Powder River Basin about 25 miles northeast of Casper, Wyoming. The BFSU reservoir was discovered by Chesapeake Energy and the original drive was limited to solution gas expansion. Primary production was increased to about 1,300 bbls/d to create voidage for miscible injection and the additional producing wells to achieve this production were drilled by the Atomic Group. Construction of the gas plant/injection facility commenced in late 2018 and the plant was commissioned in October 2019. Gas injection commenced in November 2019 through a single injection well and currently there are 8 injection wells, the last of which was placed online in December 2020.





The primary working interest holders in the BFSU (Shannon Secondary Recovery Unit) are: Atomic (58.04%); COPL America (26.98%); and the CNOOC Group (14.43%). The primary working interest holders in the BFDU are: Atomic (55.55%); COPL America (27.77%); and the CNOOC Group (16.66%). The operator of the BFSU and the BFDU is SWP, which is a 100% owned subsidiary of Atomic. The Company acquired 100% of privately-held Atomic, SWP and Pipeco in a corporate transaction valued at US\$54.0 million and acquired further working interests held by COPL America in the Cuda Acquisition.

The upper Cretaceous Shannon Sandstone Member of the Cody Shale formation was deposited as clean sand during the Campanian time. The Shannon Sandstones form were deposited as conspicuous northwest to southeast trending clastic ridges that are over 100 feet in thickness, thousands of feet in width and tens of miles in length. The depositional environment for the Shannon is uncertain but could have involved deposition upon incised “ravinement” surfaces during a sea level low stand where sand was preserved in bathymetric lows, but were later eroded over bathymetric highs. The coarsening-upwards sequence characterize marine processes in the deposit. It was long believed that the Shannon sand trends were deposited in offshore bars that had been reworked by longshore currents.

The Shannon sand, generally, exhibits four separate depositional facies within it. From the top, facies 1 has the best reservoir potential because of its relatively high porosity and permeability and larger grain size. It is a trough cross bedded, glauconitic sandstone containing locally abundant shale rip-up clasts. Abundant glauconite in facies may produce a distinct green color. Facies 2 is characterized by discontinuous, horizontal, rippled sandstone and shale laminae that are truncated by horizontal, inclined burrows. This sand is also glauconitic and “greenish”. Facies 3 lacks bedding and locally is mottled due to extensive burrowing. This zone is a mixture of argillaceous sand and silt. Facies 4 is made up of laminated or massive shale and rare sandstone lenses containing minor burrowing and current ripples. The shale may be dolomitic and this facies is barren of foraminifera.

Outcrops of the entire Shannon Sandstone Member have been mapped along the west side of the basin including outcrops in Natrona County, which is about 30 miles northwest from the BFSU. The Shannon Sandstone Member is found to have a porosity range from near zero in argillaceous and bioturbated silt and sandy layers in facies 3, 4 to over 20% in clean, well-sorted, medium-grained sandstone in facies 1 and 2. Permeability ranges from less than 1 mD to more than 100 mD and an 8% porosity cut-off was used to delineate the Shannon pool in the BFSU.

The Shannon Sandstone Field in the BFSU is stratigraphically-trapped on the northern, eastern, and southern sides by a pinch out of the porosity in the upper Shannon zones. The trapping mechanism for the western edge of the BFSU has been inferred by a northeast to southwest trending fault and covers about 30 square miles. Most of the wells in the production unit have Shannon net pay thicknesses ranging from 10 feet to 42 feet.

The original plan was to inject gas (60% methane and 40% propane and butane) at 3.5 Mmcf/d stepping up to 5.0 Mmcf/d. This was based on the original pre-injection simulation. Following COPL's acquisition of the property, the initial focus to achieve production increases was to increase injection rates into the BFSU injectors to as much as 10 Mmcf/d. The reservoir simulation modelling work and the actual performance of the field suggested early on that increasing gas injection rates into the injectors would have a significant effect on accelerating increased oil production. Indeed, the effects of backing off on the injection rates at various times could be seen as a direct correlation to lower field production levels. Thus, the injection plan had been to try and keep the total injection rates as high as facility and well limitations would allow. Due to gas and liquids supply issues, and gas gathering system constraints, the average injection rate for the last 6 months since August 2021 has been just over 6.8 Mmcf/d.

During the same period, the costs of butane liquid purchases required for the higher injection rates became increasingly more expensive, to the point where economic feasibility of the miscible flood operation was being compromised.

Updated simulation modelling was performed because of these two "new realities" to investigate the effect of lower injection rates and the drastic cutting back of liquids use in the mix stream. It was found that the need for a continuous mix of 30% liquids was not necessarily required due to a sizable initial liquids bank built up in the initial injection period. Rather, a scheme of a much leaner dry gas stream could be used to push the miscible oil towards the producer wells. Switching to an "all dry gas" scheme for the rest of the project life is not considered feasible, since any new producers will require an initial miscible mixture to efficiently sweep the oil that could be left behind in the reservoir.

As a prudent way forward, after 2022, a slightly leaner 80%/20% mixture of gas and liquids will still be "spiked" into the injectors for 6 months, and then cut off once again for dry gas injection for the rest of the year. This cycling of the gas/liquids mixture is expected to continue for approximately the next 5 years. The overall effect of this strategy is to ensure the economic viability of the project by reducing the purchased products costs, while minimizing the effect on reserves recovery overall. It is expected that the injection rates will generally be kept below 10 Mmcf/d, and simulation work suggests that more meaningful gains in production and recovery will result from converting more and more producers to gas injectors to access unswept areas of the reservoir. Simulation work will be a continuous process as new data comes in from the field response, and plans will be shifted as appropriate. All of the purchased gas and liquids will eventually be sold to market, as the miscible flood acts as a storage mechanism until that point.

Another significant component of the remaining field development is the planned development drilling program for 2022 and 2023. After remapping the field, reservoir simulation modelling and Ryder Scott analysis, a list of 19 locations were chosen as the best candidates. To optimize capital spending, and to limit the logistics of a large amount of work in one year, it was decided to drill nine wells in 2022 (eight producers and one injector), and the remaining 10 wells in 2023 (nine producers and one injector). The first nine wells in 2022 are considered to be the best candidates from the remaining locations. They will also serve to give valuable information on the accuracy of the geological mapping and simulation model prior to launching into the final 10 locations. Also included in the plans is the conversion of an existing producing well to gas injection in 2022. As things are fluid with the simulation modelling work, a possible scenario in 2023 is the replacement of a few of the planned new wells with existing producer to injector conversions. Ongoing simulation work suggests that converting existing producing wells to gas injectors may give a better sweep efficiency for the field and yield more reserves. Costs for conversions would be significantly less than cost to drill a new well.

In the past year, much has been learned about the BFSU miscible flood project. The lessons learned have come mainly as a result of increased gas/liquids injection rates and increasing oil production as a result. One significant area that has been highlighted is the limitations of the existing surface facilities and field gathering system when trying to operate under a higher-pressure environment. This environment has been created as a result of the higher gas injection rates causing most of the wells in the field to respond positively to the increasing reservoir pressures.

Basically, the current oil battery treating equipment, pumping units, compression capacity, and lower pressure gas gathering lines are restricting the operator's ability to optimize the field production rates and take advantage of the oil production response to the gas and liquids injection. As a result, in 2021, operations personnel have had to react to the problems as they presented themselves, one at a time. Prime examples are wells trying to flow against pump restrictions requiring either larger size pumps, or a complete removal of the pump equipment and installation of new "velocity strings" to allow the well to flow naturally. Another example is the undersized and low-pressure heater treaters on most of the wells. The recent unrestricted testing of one well proved that it could be flowing at 600 to 800 bbls/d if it did not have to be restricted by the undersized treater and the low-pressure gas gathering lines to prevent flaring of the gas. As a result, the well is choked back to 150 to 250 bbls/d until the bottlenecks can be remedied. More and more of these types of restrictions are expected as the field continues to respond to the positive effects of the miscible flood.

A third-party engineering firm was commissioned to perform a feasibility study for facility upgrades and three different cases were analyzed: a larger sized low-pressure gas gathering system, a high-pressure gas gathering system, and a larger sized low-pressure gas gathering system coupled with an oil gathering system and a central processing facility ("CPF"). The recommended option was the larger sized low-pressure gas gathering system coupled with CPF, as it requires the least amount of equipment to be purchased and installed at each well pad. To upgrade the gas gathering system to high pressure steel pipe would require the purchase and installation of high pressure separators and vapor recovery towers ("VRTs") and vapor recovery units ("VRUs") at each well pad, while the CPF option only requires one VRT and one VRU to be installed at a common location although high pressure separators will still be required at each well pad location.

Key capital items addressing the noted restrictions being proposed for 2023 and beyond:

- a gas plant start-up, which will capture liquids from the gas stream to offset purchases;
- a third compressor installation, which will increase gas injection compression capacity to 12 Mmc/d and would include liquids compression;
- a phase 1 gathering system upgrade which will address much of the low-pressure gas gathering line restrictions in the center of the field, with future phases to branch out to outlying wells; and
- a phase 1 surface facility upgrade regarding the CPF which will address well battery limitations and begin the construction of a CPF with oil gathering lines mirroring the gas gathering lines upgraded in Phase 1.

The Company has worked closely with Ryder Scott to ensure all the proposed changes to development are incorporated in their reserve volumes estimations. Ongoing efforts for production optimization and pattern balancing/management are expected to lift production back to levels achieved in late 2021. Resolution of the gas gathering system ("GGS") bottleneck and development of new patterns alongside more robust oil gathering and processing infrastructure are projected to allow for productivity gains up to the plateaus forecast in the total proved + probable reserve model represented in the Ryder Scott Report.

### **BFSU Planned Development**

The BFSU is in the middle phase of development with seven (7) inverted nine spot patterns active. The original pilot pattern and two adjacent patterns have exhibited excellent response to miscible gas injection. The other four (4) patterns are relatively immature and continue to operate in the "fill up" phase of the EOR process. The Company has identified three additional patterns ready for development that require new wells and infrastructure. These future patterns are included in the Ryder Scott Report as proved undeveloped locations. There are additional patterns beyond these three that are included as probable undeveloped locations.

## **Cole Creek Unit**

The Cole Creek Unit is situated in Township 35 North, Range 77 West in the Powder River Basin, directly west of the BFSU. The county line that separates Converse County from Natrona County, Wyoming bisects this township. This oil unit originally produced 9.1 MMbbls from the Upper Cretaceous Shannon Sand member of the Cody Shale formation. This Shannon oil pool was discovered in April 1940 when a well that was drilled in 1938 was completed in the Shannon Sandstone Member as a producing well pumping 430 bbls/d. Sample shows and well logging illustrated that the lower Cretaceous Dakota sand and underlying Lakota sand were oil-bearing as well. Some wells in the Cole Creek Field produced from the Dakota and Lakota sands. Historically, 9.1 MMbbls have been produced from the Shannon Sandstone Member; 6.3 MMbbls have been produced from the Dakota sand; and about 1.0 MMbbls have been produced from the Frontier sands. Atomic has a 60.9% interest in a significant portion of the acreage (18,828.9 gross acres) in Township 35 North, Range 77 West, including the Cole Creek Unit that is comprised of 6,000 gross acres.

The Powder River Basin is a Laramide-age, asymmetric, north-northwest trending structural basin. The Powder River Basin is classified as an intermontane compressional foreland basin. The Powder River Basin was a portion of a subsiding trough that formed on the east side of the lengthy orogenic belt and was the site of marine inundation of the epicontinental seaway during the Cretaceous. The Cole Creek Field is situated along a doubly plunging anticline that trends in a northwest to southeast direction. The anticline of the South Cole Creek Field is separated from the Cole Creek Field by a “saddle”. At Shannon sand level, there is at least 150 feet of structural closure at Cole Creek.

The lower Cretaceous Dakota sand is stratigraphically trapped at Cole Creek. The Dakota was deposited as a broad deltaic system that includes incised valley deposits, distributary channels, and delta front (marine) sands. Most Dakota oil production is from stratigraphically-trapped incised valley and distributary channel systems.

This widespread clastic wedge prograded into the Western Interior Seaway from the south and east. It is composed of a marine, deltaic, and alluvial complex which becomes progressively more marine to the west, where it consists entirely of marine shale and siltstone of the Thermopolis Shale. Reservoir rocks are generally fine-grained to medium-grained quartzose sandstones. Average reservoir porosity generally ranges from 8% to 23% and averages from 13% to 18%. The sand unit is sealed at the top and bottom by enclosing shales. The permeability developed in the Dakota can be variable and Dakota net pay ranges from 5 feet to 20 feet at Cole Creek.

The second sand of the upper Cretaceous Frontier formation is also prospective at Cole Creek. Well logs illustrate the development of a reservoir quality sand in the Frontier formation. Slawson drilled the 44-22H horizontal well within the Frontier sands along the east limb of the structurally-closed anticline in 2018. This well, reportedly, had some drilling issues and multiple fracs were not performed. It produced over 61,000 barrels of oil and only 5,500 barrels of water since 2018. A properly drilled horizontal well in the Frontier sands with 40 to 60 stage fracs would be expected to produce at an initial rate of 1,000 bbls/d. Net pay for the Frontier sands ranges from 10 feet to 35 feet in the Cole Creek area.

Initially, up to 17 suspended, cased wellbores are going to be re-entered and re-completed and/or re-stimulated in the Cole Creek area in the Frontier sands. These wells could add oil production of over 500 bbls/d.

## **Cole Creek Future Development Potential**

For future development, the Cole Creek pool will require a substantial investment in drilling and surface/processing equipment, given its current state of operation. Ryder Scott has estimated that 217 million barrels of discovered petroleum initially in place underly Group lands in the Upper Cretaceous Frontier 2 sand (Frontier Formation) with a potential development drilling plan incorporating 23 total horizontal locations (11 proved undeveloped locations and 23 proved + probable undeveloped locations). As well, a total of 71.4 million barrels of discovered petroleum initially in place from the Lower Cretaceous Dakota Group sands has been identified, with a potential development drilling plan of 16 horizontal proved undeveloped locations and 16 proven + probable undeveloped locations. The Company is planning to proceed with the recompletion of the Cole Creek 11-27 well for oil production in the Frontier 1 zone to test its potential and create proven and probable oil reserves within that zone. The design of the recompletion is in progress and is currently envisaged as two staged 220,000 to 330,000 lb fracs across 105 feet and 60 feet of perforations, respectively. The reservoir data collected in this campaign will be crucial to the Company’s understanding of the reservoir characteristics of the Frontier 1.

From this large potential of development opportunities, the attached Ryder Scott Report concludes a total of 15.6 million barrels of total Proved Reserves and Probable Reserves at 31 July 2022 (Company Gross).

The Frontier 2 sand has significantly better porosity and permeability rock characteristics compared with the Shannon sand and could be used as a potential miscible gas flood.

## 5.2 **Nigeria - OPL 226**

### (a) **Overview**

OPL 226 is located in the Niger Delta province, offshore Nigeria, and has an area of 1530 sq. km and is located in water depths ranging from 40 to 180 m. This block is situated along the southwestern edge of a large growth fault-controlled structural complex (Anyala and Noa Complex) that can be mapped with available 3D seismic data.

Essar Nigeria was awarded OPL 226 in the 2007 bidding round with a signature bonus payment of USD 37 million. Essar Nigeria has acquired a 3D seismic survey in excess of its commitments under Phase 1 of the PSC governing OPL 226; however, the company has yet to drill a well under Phase 1 of the PSC.

On 13 September 2016, ShoreCan completed the purchase of 80% of the issued share capital of Essar Nigeria. Essar Nigeria's sole asset is the 100% interest in and operation of OPL 226 in Nigeria. As part of the related shareholder agreement, ShoreCan agreed to cover the funding of Essar Nigeria's operations. Under the terms of (and as a party to) the PSC, Essar Nigeria is required to seek Ministerial consent for the change in control of Essar Nigeria, which is still outstanding.

Historically, only five wells have been drilled on OPL 226 by previous operators including: Noa-1 drilled by Solgas in 2001 was an oil and gas discovery; Oyoma-1 (1972) was an oil and gas discovery; Dubagbene-1 (1972) was an oil discovery; Nduri-1 (1973) was a gas discovery; and HJ South-1 (1987) was a gas discovery.

OPL 226 is situated adjacent to Oil Mining License 83 in which the undeveloped Anyala oil and gas field is located. The Anyala field was discovered in 1972 and lies at the crest of northwest to southeast trending anticline plunging to the northwest and southeast onto OPL 226. Two wells drilled in 1972, Oyoma-1 and Dubagbene-1 discovered oil and gas on the northwest plunge of the Anyala Anticline structure, while Noa-1 discovered oil and gas on the southeast plunge of the structure on OPL 226 in 2001.

The Company awaits reports of further progress from its joint venture partners and the authorities in Nigeria and remains ready to engage. Meanwhile, the Company is focused on its producing assets in the US.

### (b) **OPL 226 – Shareholders Agreement**

ShoreCan is party to a shareholders agreement (the “**Essar Nigeria Shareholders Agreement**”) with the holder of the remaining 20% of the common shares of Essar Mauritius. Under the terms of the Essar Nigeria Shareholders Agreement, among other things:

- ShoreCan is entitled to five out of seven directors of Essar Nigeria and Essar Mauritius is entitled to the remaining two board seats;
- ShoreCan assumed operational control of Essar Nigeria and also is to fund and carry out approved work programme activities up to a maximum of USD 80,000,000;
- Essar Mauritius is required to maintain the existing performance bond security in favour of NNPC in support of the work programme activities;
- The parties are not required to provide any other finance unless they agree otherwise;
- Certain board matters are reserved to the shareholders and require unanimous approval before proceeding; and
- The parties agree not to compete in any way to prejudice the rights and future success of Essar Nigeria.

On 4 June 2020, ShoreCan and Essar Mauritius announced they had reached an In Principle Settlement Agreement with Essar Mauritius on a way forward to resolve their disputes with each other concerning, among other things, their respective obligations under the Essar Nigeria Shareholders Agreement. Essar Nigeria's previous allegations, which it first made in August 2018, centred on the assertion that ShoreCan had not commenced funding of the \$80 million agreed cumulative funding in Essar Nigeria while ShoreCan categorically denies this with factual evidence of substantial expenditure to date. The terms of the In Principle Settlement Agreement were conditional on the parties finalising definitive documentation to reflect the terms and completing the transactions contemplated by the In Principle Settlement Agreement within 35 days.

Essar Mauritius previously filed a claim on 27 March 2020 in the High Court of Justice of England and Wales whereby Essar Mauritius sought in its claim, *inter alia*, to terminate the Essar Nigeria Shareholders Agreement and the Share Purchase Agreement dated 17 August 2015 and the resulting transfer of its shares in Essar Nigeria to ShoreCan. Essar Mauritius also claimed USD\$ 63 million of damages in respect to historic amounts invested in Essar Nigeria for the OPL 226 project.

(c) **OPL 226 – Settlement Transaction**

On 4 August 2020, ShoreCan and Essar Mauritius executed definitive agreements to resolve their disputes, concerning, among other things, their respective obligations under the Essar Nigeria Shareholders Agreement. The agreements entered into between ShoreCan and Essar Mauritius can be summarized as follows:

- A settlement agreement which settled the claim filed by Essar Mauritius against ShoreCan in the High Court of Justice of England and Wales (the “**Settlement Agreement**”). Under the Settlement Agreement, each party has agreed to bear their own costs and end the proceedings in the High Court of Justice of England and Wales;
- A share purchase agreement pursuant to which ShoreCan will return 70% of the shares in Essar Nigeria to Essar Mauritius;
- An amended Essar Nigeria Shareholders Agreement, the key provisions of which include:
  - Essar Mauritius to carry ShoreCan for a 10% carried interest (capped at USD\$ 5 million net) on all costs relating to the drilling of the first well to be drilled under the terms of the OPL 226 PSC;
  - ShoreCan will have an option to increase its shareholding in Essar Nigeria from 10% to 30% by paying 20% of historic expenditures of Essar Nigeria at cost through the drilling of the first well. The option is exercisable within 90 days from the completion of the first well as defined in the final well plan as approved by the concessionaire (NNPC) and regulator (DPR) under Phase 1 of the OPL 226 PSC; and
  - the Essar Nigeria board of directors and management team will be restructured commensurate with its amended share structure to reflect the increased shareholding of Essar Mauritius.
- A loan agreement with Essar Nigeria whereby Essar Nigeria recognizes historic expenditures by ShoreCan on behalf of Essar Nigeria as a shareholder loan thus allowing ShoreCan to recover these expenditures, cost recoverable and non-cost recoverable, from future production revenue.

On 1 February 2021, the Company announced that ShoreCan and Essar Mauritius agreed to extend the completion date of the definitive agreements to 30 April 2021. A further subsequent extension to 30 July 2021 was agreed on 30 April 2021. The parties have since, on separate occasions agreed to extend the completion.

Essar Nigeria applied in June 2020 to the NNPC for an extension of the exploration period under the OPL 226 PSC beyond the term ending on 30 September 2020. Completion of the definitive agreements outlined above is subject to the grant of such an extension and other customary completion conditions.

To date, no notice of termination has been received by Essar Nigeria, which under the terms of the OPL 226 PSC would need to be issued sixty days before the 30 September 2020 expiry date. The two previous extensions to the drilling license at OPL 226 were also received by the Essar Nigeria following the previous expiration dates.

## 6. STRATEGY

The Company’s strategy is to increase production at its Wyoming Assets, initially through increased gas injection at the BFSU, followed by further drilling and development at the BFSU, BFDU and Cole Creek Unit and to grow its international oil and gas business in Sub-Saharan Africa and elsewhere in the world by farming into and/or acquiring interests in, exploration, unappraised and/or undeveloped assets as well as in producing assets using the expertise and experience of its senior management team.

TN, 132(d)  
A1, 5.4

Since its inception, the Company, both on its own and through its joint venture with ShoreCan, has explored potential development opportunities in various parts of Africa including, among others, the United Republic of Tanzania, the Republic of Namibia, Equatorial Guinea, Liberia, Nigeria and Mozambique. In Nigeria, pending confirmation of the extension of the exploration period under the OPL 226 PSC by the appropriate governmental bodies and other customary conditions, ShoreCan will, on completion of the Essar Transaction, hold a 10% carried interest in OPL 226.

As at the date of this Prospectus, the Company is focused on consolidation and growth of its recently acquired Wyoming Assets and the exploration and development of the project in Nigeria. The Company has discontinued its interest in a project at Block PT5-B in Mozambique in light of recent events in the country. In Mozambique, COPL and Shoreline (together, 57%), Bluegreen Holdings Ltd. (23%), Indico Dourado Lda. (10%) and the Mozambique Empresa Nacional de Hidrocarbonetos (10%) had been indicatively awarded rights to onshore Block PT5-B in the fifth licensing round. COPL was expected to act as the operator of the project. However, as noted above, following a recent review and the desire to prioritise development of assets in the US, COPL has decided not to pursue this opportunity and has advised stakeholders accordingly. Beyond COPL's prior pursuit of Block PT5-B, which the Company has ceased, the Company has no other operations or personnel in Mozambique nor any contractual obligations or outstanding liabilities in that country.

In order to execute its strategic growth strategy, the Company plans to:

- exploit management's experience at finding and investing in high return exploration, appraisal or development opportunities focused primarily on oil;
- continue to evaluate opportunities on the West African Transform Margin, similar to OPL 226, that are focused on oil trapped in the Late Cretaceous sandstone reservoirs. As some parts of West Africa are relatively lightly explored, management is of the view that this has the potential to offer high reward for large, undiscovered oil and gas deposits;
- partner with other African operators to explore for, appraise and/or develop properties, in particular with respect to its existing interest in Nigeria;
- enter into joint ventures, with entities such as Shoreline, in an effort to diversify and balance its asset portfolio; and
- target desirable exploration and development prospects that contain similar seismic and geological characteristics of nearby existing discoveries or producing fields.

The Company's short term operations will focus on:

- continuing and increasing production of its Wyoming Assets;
- further developing the facilities to handle gas injection and increased production capacity at the BFSU;
- recompleting up to 16 existing cased wells in the Cole Creek pool to increase oil production;
- drilling new wells in the BFSU, Cole Creek Unit and BFDU pools;
- drilling of horizontal proven undeveloped locations in both the Dakota sand and Frontier sands that were mapped by Ryder Scott at Cole Creek;
- progressing the OPL 226 project in Nigeria; and
- evaluating new opportunities available in the US, Africa and elsewhere in the world.

The acquisition of new projects and the development of existing projects by the Company are dependent on the Company raising adequate financing for such projects (as required) at the appropriate time.

## 7. GOVERNANCE POLICIES

The Board is committed to the highest standards of corporate governance. The Board complies with the corporate governance requirements imposed on the Company by the Company's continued listing on the CSE.

For further details regarding the Company's corporate governance policies and procedures, please see Part IX (*Directors, Senior Management and Corporate Governance*).

## 8. INSURANCE

Currently, the Group carries an umbrella insurance in respect of its oil and gas operation in Wyoming that covers wells operation, pollution and general liability. In addition, the Group has in place Directors' and Officers' liability insurance, employee health insurance and office property insurance.

## 9. CORPORATE SOCIAL RESPONSIBILITY

The Directors believe that in addition to the Existing Shareholders, there are many other stakeholders to whom the Company is responsible, including the Company's employees, contractors and partners, and local and national governments, citizens and the living creatures that inhabit the offshore and onshore environment in which the Company operates. The Directors strive to govern the Company in a manner that is environmentally, economically, ethically and socially responsible to all of these stakeholders, and demonstrate that the Company is a good steward of the resources entrusted to it.

## 10. EMPLOYEES

A1, 15.1

The numbers of employees of the Group at the end of each of the financial years ended 31 December 2019, 2020 and 2021 are set out below, on an FTE basis. As at 31 December 2022, the Group had 23 employees (on an FTE basis).

	As at			
	31 December 2019	31 December 2020	31 December 2021	December 31 2022
Administration – Calgary	6	4	5	6
Administration – UK	1	2	2	2
Administration – US	-	-	7	7
Total Administration	7	6	14	15
Exploration / operations – Calgary	3	3	3	2
Exploration / operations – UK	1	1	1	1
Operations – US	-	-	5	5
Total Exploration / operations	4	4	9	8
TOTALS	11	10	23	23

## 11. TAX

The Company is incorporated and has its head office in Canada, and is considered a Canadian resident for tax purposes. Each member of the Group is and will be managed in such a way that it is resident for tax purposes in its jurisdiction of incorporation. Further details relating to taxation are set out in Part XVIII (*Taxation*).

A11, 4.11

Prior to being acquired by COPL America, SWP was, for U.S. federal income tax purposes (and applicable U.S. state tax purposes), an S corporation, as defined in Section 1361 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"). Under the Code, certain eligible corporations may elect to be treated as S corporations which results in such corporations generally being treated as flow through entities that pass corporate income, losses, deductions, and credits through to their shareholders for U.S. federal income tax purposes. Shareholders of S corporations report the flow-through of income and losses on their personal tax returns and are assessed tax at their individual income tax rates. As a result, S corporations generally are not subject to U.S. federal income taxation on the income of the corporation. In order for a corporation to maintain its status as an S corporation for U.S. federal income tax purposes, it must meet certain requirements which include not having any shareholders that are partnerships, corporations, or non-resident alien individuals. Accordingly, once COPL America, a corporation, acquired shares of SWP, SWP was no longer eligible to be treated as an S corporation for U.S. federal income tax purposes and any income of SWP is subject to U.S. federal income taxation at rates applicable to corporations (currently 21%).



In connection with COPL America's acquisition of the stock of SWP, an election under Section 338(h)(10) of the Code is being made that treats the sale of SWP stock by the Seller as a deemed sale of SWP's assets for U.S. federal (and applicable state) income tax purposes. Pursuant to the 338(h)(10) election, the purchase of SWP stock is treated, solely for tax purposes, as SWP having sold all of its assets to a newly formed corporation in exchange for the purchase price that was paid for its stock plus the assumption of its liabilities, and then immediately liquidated with the proceeds going to the Seller. Accordingly, while SWP remains in existence, it is newly formed for U.S. federal (and applicable state) income tax purposes and as a result does not carry over any of the tax attributes of SWP prior to the transaction.

Immediately prior to being acquired by COPL America, Atomic was wholly owned by the Seller and was, for U.S. federal (and applicable state) income tax purposes, disregarded as an entity separate from the Seller. As a result, for U.S. federal (and applicable state) income tax purposes, the acquisition of Atomic was an acquisition of the assets of Atomic by COPL America. Similarly, Pipeco is wholly owned by Atomic, and for U.S. federal (and applicable state) income tax purposes is disregarded as an entity separate from its owner, which for such purposes was the Seller prior to the acquisition of Atomic from the Seller. As a result of Pipeco being disregarded for U.S. federal (and applicable state) income tax purposes, the treatment of the acquisition of Atomic for U.S. federal (and applicable state) income tax purposes as an asset acquisition, as described above, included the assets of Pipeco.

## **12. DIVIDEND POLICY**

The Company has not paid any dividends on its outstanding Common Shares. The Directors do not anticipate paying dividends in the near future. Payment of dividends in the future will be dependent on, among other things, the cash flow, results of operations and financial condition of the Company, the need for funds to finance ongoing operations and other considerations as the Board considers relevant.

A1, 18.5.1

## **13. CURRENT TRADING AND PROSPECTS**

### **13.1 Overview**

Prior to the Atomic Acquisition, the Group had no history of revenue generating operations. The prospects of the Company are dependent on, amongst other things, the successful extraction of reserves at the Wyoming Assets and exploration to be undertaken on its Sub-Saharan African assets. The Directors also intend to evaluate additional prospects with the aim of expanding the Group's portfolio of assets should attractive opportunities arise.

**DIRECTORS, SENIOR MANAGEMENT AND CORPORATE GOVERNANCE****1. DIRECTORS AND SENIOR MANAGEMENT**

A1, 12.1

**1.1 Board of Directors**

The following table lists the names, ages and positions of the Directors:

<b>Name</b>	<b>Age</b>	<b>Position</b>
Arthur S. Millholland	63	President and Chief Executive Officer
Harald Ludwig	68	Non-Executive Chairman
Massimo Carello	74	Non-Executive Director
John Cowan	68	Non-Executive Director
Robert Chenery	76	Non-Executive Director

*Arthur S. Millholland, P.Geo – President and Chief Executive Officer*

Mr. Millholland has been the President and CEO of the Company since August 2009. Prior thereto, Mr. Millholland was a Director and the President and CEO of Oilexco from 1994 until July 2009. Mr. Millholland was a member of the board of directors of Rupert Resources Ltd. from March 2014 until December 2017. He has been a Professional Geologist for over 36 years. Mr. Millholland has worked in a variety of regions including the UK North Sea, Canada, the Gulf of Mexico, the United States, South America, and West and North Africa. He is a member of the American Association of Petroleum Geologists. He is a graduate of the University of Waterloo where he obtained an Honours Bachelor of Science degree in Earth Science.

*Harald Ludwig – Non-Executive Chairman*

Mr. Ludwig has over 30 years of extensive business and investment experience, and is currently the President of Ludwig Investments Corp. (a diversified private equity investment company). He was a member of the board of directors of Lions Gate Entertainment Corp. (NYSE) from June 2005 until September 2016, a Director of West Fraser Timber Co. Ltd. (TSX) from May 1995 until April 2017 and a Director of Seaspan Corporation (NYSE) from August 2012 until April 2018. He is a founding partner or private equity investor in a number of North American and international private equity firms, hedge funds, mezzanine lenders, growth capital providers, distressed investment firms and real estate investment vehicles.

*Massimo Carello – Non-Executive Director*

Mr. Carello has over 40 years of international senior management and board level experience, who in the past ten years has operated as an independent businessman providing services as a consultant and managing his own investment portfolio. Mr. Carello is the Chair of the Company's Compensation Committee. Mr. Carello was a Director of Orsu Metals Corp. from September 2008 until December 2016 and a Director of Canaccord Genuity Group Inc. from August 2008 until August 2018. Before moving to UK in 1990, where he currently lives, Mr. Carello was the President and Managing Director of Carello Group SpA. The company was the third largest European headlamp producer before being sold to the Fiat Group. Mr. Carello is a Knight Commander of the Royal Order of Francis I of the Two Sicilies, and has a degree in Political and International Sciences from the University of Turin.

*John Cowan – Non-Executive Director*

Mr. Cowan, a petroleum geologist, has been involved in the Canadian oil and gas industry for 40 years. During this period he and his team founded three publicly listed Canadian junior exploration, production and storage companies. Mr. Cowan's previous public company committee experience includes: Audit; Corporate Governance and Reserves; Health and Safety; and Compensation. Mr. Cowan is the Chair of the Company's Audit Committee. Mr. Cowan was a Director of Dundee Energy Ltd. (TSX) from September 2011 until April 2017. In 2004 Mr. Cowan was a founding shareholder and President of Xtivity Inc. a closely held, maintenance inventory optimization firm. The company was sold 28 February 2020, and on 2 April 2020, Mr. Cowan became a founding shareholder and President of BrineTech Inc, a privately held, petroleum-sector, industrial brine operator in Ontario.

### *Robert Chenery – Non-Executive Director*

Mr. Chenery has worked in the petroleum and natural gas industry for more than 50 years. Mr. Chenery is the Chair of the Company's Reserve Committee. Since 1981, Mr. Chenery has been President of Chenery Dobson Resource Management Ltd, a firm specializing in the evaluation and management of oil and gas assets primarily controlled by investors, banks, and other financial institutions. In addition, on behalf of some of the same clients, Mr. Chenery has been the CEO and/or Chairman of the board of several small oil and gas enterprises. Prior to 1981, Mr. Chenery was a member of the senior management team of the Elf/Aquitaine Group in Canada. Academic qualifications include a Bachelor of Science in Geological Engineering and a Master in Business Administration. Mr. Chenery is also a member, in good standing, of the Association of Professional Engineers and Geoscientists of Alberta (APEGA).

## **1.2 Senior Management**

Day-to-day management of the Company's business is the responsibility of the persons below in addition to the Executive Director.

### *Ryan Gaffney – Chief Financial Officer*

Mr. Gaffney has been the Company's Chief Financial Officer since July 2020. Prior thereto, Mr Gaffney acted as the Company's Interim Chief Financial Officer from June 2020 to July 2020 and has been an advisor and consultant to the Company since 2017. He has extensive experience providing corporate finance advice and services to oil and gas companies and mining companies including fundraising, mergers and acquisitions advice. Mr Gaffney was previously Managing Director with investment bank Canaccord Genuity Limited and Canaccord Genuity Corp. where he was employed from 2002 to 2015. He was a Non-Executive Director of Australian Stock Exchange listed Auroch Minerals Limited from 2016 to 2019. He holds a BSBA from the Daniels College of Business at the University of Denver and is founding shareholder and advisor (from 2016 to 2019) to Funder-Inc. (now trading as MyWorld).

### *Rod Christensen – Vice President Exploration and Exploitation*

Mr. Christensen has been the Company's Vice President, Exploration and Exploitation since December 2011, and was Manager Exploration and Development from November 2010 to December 2011. Prior thereto, Mr. Christensen was a consulting professional geologist to the Company and other clients from August 2009 to October 2010. Mr. Christensen graduated from the University of Washington with a Bachelor of Geological Sciences Degree. He has over 40 years of experience working in the natural resource industry in Western Canada, the UKCS, Africa and throughout the world, and held key positions with Canadian Hunter Exploration, Cuesta Energy and Oilexco.

### *Dr. Richard Mays – Vice President, Business Development and General Counsel*

Dr. Mays has been the Company's Vice President, Business Development and General Counsel since September 2014. He has extensive management and leadership experience in oil and gas companies. Dr. Mays is a Non-Executive Director of Prospex Energy plc and a Director of Sallork Limited and Sallork Property Limited. He was formerly Professor of Law and Deputy Dean of the Aberdeen Business School. He holds LLB (Honours), LLM and PhD degrees and is a Solicitor and Notary Public in Scotland.

## **2. CORPORATE GOVERNANCE**

The Board is committed to the highest standards of corporate governance. The Board continues to comply with the corporate governance requirements imposed on the Company by the Company's continued listing on the CSE.

A1, 14.4

The corporate governance guidelines applicable to the Company as a result of its listing on the CSE suggest that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors. Under the applicable guidelines, a Director is considered independent if he or she has no direct or indirect "material relationship" with the Company which could, in the view of the Board, reasonably interfere with the exercise of that Director's independent judgement. Of the current Directors, the President and CEO is an "inside" or management director and, accordingly, Mr. Millholland is not considered to be "independent" within the meaning of the relevant guidelines. Messrs Ludwig, Carello, Cowan and Chenery are considered by the Board to be "independent" within the meaning of the relevant guidelines.

The Board currently has the following corporate governance procedures and policies in place:

## 2.1 *Ethical Business Conduct*

The Board has adopted a formal written Code of Business Conduct and Ethics (the “**Conduct Code**”). The purpose of the Conduct Code is to maintain the highest level of integrity in all corporate dealings and is applicable to all directors, officer and employees. All new employees are required to read and sign off on the Conduct Code as part of the orientation process. Employees are reminded annually about the Company’s policies, including the Conduct Code, as part of the annual performance review process. On 9 August 2012, the Board adopted an Anti-Bribery and Anti-Corruption Policy.

## 2.2 *Audit Committee*

A1, 14.3

The Audit Committee reviews the annual financial statements of the Company and meets with the Company’s external independent auditors to review and consider audit procedures and to assess the appropriateness and effectiveness of the Company’s policies, business practices, internal controls and management information systems which impact the financial integrity of the Company. The members of the Audit Committee have direct access to the external auditors of the Company. The Audit Committee also reviews the unaudited quarterly financial statements and management’s discussion and analysis of financial results.

Messrs Cowan, Carello and Ludwig are the members of the Audit Committee, and Mr. Cowan is its Chair. The Audit Committee is comprised of independent Directors and constituted in accordance with applicable securities laws. Each of the members of the Audit Committee, in the view of the Board, is “independent” as that term is defined in the relevant applicable regulations. NI 52-110 provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer’s financial statements. All of the Audit Committee members are financially literate as that term is defined in NI 52-110.

## 2.3 *Compensation Committee*

A1, 14.3

The Compensation Committee determines policies for executive compensation, including key human resources policies, the remuneration policy, reviewing management’s recommendations and the compensation and performance objectives of COPL’s executive officers, and recommending to the Board any bonuses to be paid.

The Compensation Committee assists the Board in overseeing key compensation and human resources policies, CEO and executive management compensation, and executive management succession and development. The committee reports to the Board, as set out in its mandate, and the Board or independent directors give final approval to compensation matters. It is comprised solely of independent directors. The Compensation Committee makes specific recommendations regarding compensation of the Company’s executive officers, including the objectives of the compensation program, what the program is designed to reward and the elements of compensation.

The Compensation Committee is responsible for (without limitation): (i) reviewing the compensation philosophy and remuneration policy for employees of the Company including human resources policies and recommending to the Board changes to improve the Company’s ability to recruit, retain and motivate employees; (ii) disclosure of compensation policies and analysis in regulatory filings and shareholder materials; (iii) reviewing and recommending to the Board the retainer and fees to be paid to members of the Board; (iv) reviewing and recommending to the Board performance objectives and the compensation package for the Chief Executive Officer and other executive officers; (v) recommending to the Board, on the direction of the Chief Executive Officer, the compensation and benefits package for senior management positions within the Company; (vi) reviewing management’s recommendations for proposed stock option or share purchase plans and benefit plans and making recommendations in respect thereof to the Board; (vii) recommending any bonuses to be paid.

It is expected that competitive compensation by way of an annual retainer and meeting fees plus stock options will form the basis of the Directors’ compensation. Such stock options are within guidelines prescribed by the CSE.

Messrs Carello and Ludwig are the members of the Compensation Committee, and Mr. Carello is its Chair. The Compensation Committee is comprised of independent directors and constituted in accordance with applicable securities laws.

## 2.4 *Corporate Governance and Nominating Committee*

The Corporate Governance and Nominating Committee assists the Board in overseeing implementation of the Company's corporate governance programs and evaluating the Board to ensure the Company is implementing best-in-class corporate governance practices.

The Corporate Governance and Nominating Committee is responsible for ensuring that an appropriate corporate governance system is in place for the Board's overall stewardship responsibility and the discharge of its obligations to the stakeholders of the Company. The Corporate Governance and Nominating Committee is also responsible for recommending new nominees to the Board, and assessing the Board's effectiveness as a whole. As the Board is small, there is significant communication among the Directors with respect to effectiveness. This process examines the effectiveness of the Board as a whole and specifically reviews areas that Board members believe could be improved to ensure the continued effectiveness of the Board in the execution of its responsibilities. An assessment of each individual Director is not performed. Board assessment questionnaires are distributed and reviewed periodically by the Board.

Messrs Ludwig, Carello and Cowan are the members of the Corporate Governance and Nominating Committee, and Mr. Ludwig is its Chair. The Corporate Governance and Nominating Committee is entirely comprised of independent Directors and constituted in accordance with applicable securities laws.

## 2.5 *Reserves Committee*

The primary function of the Reserves Committee is to assist the Board with respect to the annual review of the Company's petroleum and natural gas activities as required under NI 51-101. The Reserves Committee is also mandated to review the selection of the Company's independent engineers, review the reserves estimates and evaluations prepared by such engineers, including methodologies applied, and review the procedures for providing, and the reliability of the information the Company's independent engineers relied upon in their work.

Messrs Chenery, Cowan and Millholland are the members of the Reserves Committee, and Mr. Chenery is its Chair. Two of the three members of the Reserves Committee, Messrs Cowan and Chenery, are considered an independent Director.

## 2.6 *Health, Safety and Environment Committee*

The Health, Safety and Environment Committee provides advice and makes recommendations to the Board and to the Group, in fulfilling its health, safety and environment ("HSE") responsibilities to employees, contractors and the communities in which it operates. The role of the HSE Committee is to support and advise the Board to enable it to meet its responsibilities in relation to compliance with legal and regulatory requirements and also to ensure the development, implementation and monitoring of the Company's policies, standards and practices are leading edge in HSE stewardship.

Messrs Cowan, Carello, Chenery and Millholland are the members of the HSE Committee, and Mr. Cowan is its Chair. Messrs Cowan, Carello and Chenery are considered independent Directors.

## 2.7 *Other Board Committees*

As of the date of this Prospectus, the only standing committees of the Board are those mentioned above. The Board expects it will constitute additional formal standing committees, if and to the extent required as the Company's operations and management structure become more complex. The Board intends that such committees will be governed by written charters and composed of at least a majority of independent Directors.

## 2.8 *Insider trading policy*

The Company has an insider trading policy in place which applies to all Directors and senior officers of the Company, employees who may be in possession of or have access to unpublished price-sensitive information concerning the Company, and their spouses, civil partners or children under 18 (together the "**Designated Persons**"). The policy applies to the Designated Persons whether they are acting directly or through another person or company.

All trading in Common Shares, stock options or convertible securities in the Company by the Designated Persons must be pre-cleared by the CEO of the Company (or by the Chairman of the Audit Committee in the case of the CEO). Clearance will not be given during prohibited periods, defined as being:

- (a) blackout periods: these are not regularly scheduled, but prescribed from time to time by the CEO or CFO of the Company as a result of special circumstances, i.e. where the Company or Designated Persons are in possession of any unpublished price-sensitive information concerning the Company that is not

generally known to the public or at any time it has become reasonably probable that such information will be required to be disclosed to the market under stock exchange policies and applicable legislations; blackout periods end on the second trading day after the information has been made public;

- (b) any period where there exists unpublished price sensitive information in relation to the Common Shares and the proposed trading would take place after the time it has become reasonably probable that an announcement will be required; and
- (c) any period when the Designated Person or the person responsible for granting clearance has reason to believe the trading would be in breach of the insider trading policy.

The policy also states that the purchase of shares by Designated Persons should be for long term investment and not short term speculation; it therefore prohibits dealing in puts and calls, short selling and other such speculative behaviour, in relation to the Common Shares, and acquiring shares in a company which the Company is contemplating acquiring.

The policy requires certain Designated Persons to make certain filings with SEDI in relation to their trading in Common Shares.

The Company has also updated its insider trading policy such that it also covers the applicable UK requirements which have applied to the Company since Admission.

Part X  
-  
**INDUSTRY OVERVIEW**

A1, 5.2

**1. WYOMING ENERGY INDUSTRY**

**1.1 *Overview of the Oil and Gas Industry in Wyoming***

The Powder River Basin (“PRB”) is a large structural and topographic depression that runs sub-parallel to the trend of the Rocky Mountains. The PRB is located approximately 50 miles southwest of Gillette, Wyoming and 100 miles northeast of Casper, Wyoming. The basin is bounded by the Hartville Uplift and the Laramie Range on the south, by the Black Hills and the Big Horn Mountains to the east, and by the Casper Arch on the west. Southeastern Montana’s Miles City Arch forms the northern boundary of the basin.

The oil industry has been a part of the Wyoming economy since the beginning days of statehood. In the early 19th century, explorers in the “Wyoming territory” reported evidence of natural oil seeps. These explorers reported that native peoples extracted the oil from “oil springs” where oil bubbled to the surface, using the greasy residues for war paint, decoration on hides and teepees, horse and human liniments and other medications.

In 1866, it was reported that oil had been found near Fort Bridger, Wyoming. An attempt was made to develop the oil spring commercially. In the following years, the spring produced 150 barrels of oil. The entire amount of oil was sold to the Union Pacific Railroad as a lubricant. Wyoming Territory’s first drilled oil well was drilled in 1883 at the Dallas Dome, finding oil at 300 feet in the Chugwater formation. Markets for the unrefined petroleum were limited and most was sold to tanning companies in Utah and to the Union Pacific Railroad to lubricate railcar axles.

The largest, most significant oil field in Wyoming in the early 20th century was the Salt Creek field in northern Natrona County about 40 miles north of Casper. This giant field, discovered in 1908, produced over 650 million barrels of oil.

The Powder River Basin in Wyoming continues to be an important oil and gas producing basin that has produced over 2.5 billion barrels of oil and 9.8 trillion cubic feet of natural gas. The USGS estimates that the Powder River Basin contains approximately 1 billion barrels of remaining recoverable oil.

*Geology*

Hydrocarbon pools in the Powder River Basin generally occur in anticlinal structural traps and stratigraphic traps. The Paleozoic productive zones include the Tensleep Sandstone and the Minnelusa Formation that contain both structurally and stratigraphically-trapped oil and gas. Cretaceous-aged reservoirs that represent the major hydrocarbon zones in the Powder River Basin include the sandstones of the upper Cretaceous Frontier Formation; the Shannon and Sussex sands of the Cody Shale Formation; as well as the Parkman sand and Teapot sand of the overlying Mesaverde Formation. Hydrocarbons are also produced from the Muddy sandstones, Dakota sandstones, and Lakota sandstones of the Lower Cretaceous.

The Upper Cretaceous sand members represent the western shoreline of the Cretaceous Epicontinental seaway that can be traced from the Arctic to the Gulf of Mexico. These sands were derived from older, uplifted sediments to the west.

*Petroleum systems evaluation*

The main source rock for both the Lower Cretaceous and the lowermost Upper Cretaceous-aged hydrocarbon producing zones was the organic Mowry Shale. Hydrocarbons were also sourced from the Niobrara and Carlile Shale for some of the Upper Cretaceous sands. The Mowry Shale has a high TOC (up to over 4%) of Type II and Type III kerogen. It is estimated that 11.9 billion barrels of oil were generated and expelled from the Mowry Shale (Momper and Williams, 1984). The Mowry was buried in the deepest part of the Powder River Basin where elevated temperatures allowed oil to be generated from this rich source rock. The oil was expelled and migrated from the deep oil generation area towards the east where it became trapped in Cretaceous-aged sand layers. The migration was also influenced by the northeast to southwest trending structures in this basin.

## **2. NIGERIA ENERGY INDUSTRY OVERVIEW**

### **2.1 Overview of the oil and gas industry in Nigeria**

#### *Development of the oil industry in Nigeria*

The history of the oil industry can be traced back to 1908, when a German entity, the Nigerian Bitumen Corporation, commenced exploration activities in the Araromi area, West of Nigeria. These pioneering efforts ended abruptly with the outbreak of World War I in 1914.

Actual oil production and export from the Oloibiri field (in present day Bayelsa State) commenced in 1958 with an initial production rate of 5,100 bbls/d of oil. In 1965, the EA oil field was discovered by Shell in shallow water southeast of Warri.

In 1970, the end of the Biafran war coincided with the rise in the world oil price. Nigeria joined OPEC in 1971 and established the NNPC in 1977, a state owned and controlled company, which is a major player in both the upstream and downstream sectors.

There are two types of licenses issued to oil producers in Nigeria namely: the oil prospecting license (OPL) and the oil mining license with validity periods ranging from 5 to 20 years, respectively. Given that a producing well has not yet been drilled, OPL 226 is currently an Oil Prospecting License. Upon the successful completion of the well and the commencement of extraction from the property, the Group will apply for an upgrade of its license to an Oil Mining License.

#### *Geology*

The Niger Delta is situated within the Gulf of Guinea and extends throughout the Niger Delta geological province. From the Eocene to the present, the Niger Delta has built outward to the southwest, forming distinct belts of sand and shale deposition. These belts approximate the paleo shorelines and form one of the largest wave-dominated deltas in the world with an area of about 300,000 km<sup>2</sup>.

The Niger Delta province contains only one identified petroleum system. This system is referred to as the “Tertiary Niger Delta (Akata – Agbada) Petroleum System”. Most of the petroleum is located in fields located both onshore and offshore that are, generally, simple growth-fault controlled structures.

#### *Petroleum systems evaluation*

According to the USGS Open-File Report 99-50-H (“*The Niger Delta Petroleum System: Niger Delta Province, Nigeria, Cameroon and Equatorial Guinea, Africa*”), there is one petroleum system in the Niger Delta basin that is comprised of the marine interbedded shale in the Agbada Formation and the marine Akata Formation shales. Volumetrically, it is estimated that the Akata shales are present beneath the Agbada Formation and have generated much of the oil for the Niger Delta.

These source rocks contain Type II kerogen with an average total organic carbon content of 2.2% but range up to 14.4%.

The physical and chemical properties of the oil in the Niger Delta are highly variable. The oil within the Niger Delta has an API gravity range of 16o to 40o API. Most oils fall within one of two groups. The first group are light, paraffin-based, waxy oils from deeper reservoirs. The second group of oil are biodegraded and from shallow reservoirs. They have a lower API gravity that averages 26° API. The concentration of sulphur in most oils is low, between 0.1% and 0.3%.



## REGULATORY FRAMEWORK

## 1. WYOMING

1.1 *Regulation of the Oil Industry*

The majority of the initial oilfields discovered in Wyoming were located on public lands. Under the existing federal laws, an oil prospector who located a “provable” oil claim on federal lands could pay a small filing fee and hope for a strike. If oil was found on federal land, no payment to the government was required. Conversely, if oil was struck on private land, the landowner would receive a royalty payment.

The *Oil and Gas Leasing Act* of 1920, changed the law such that oilmen no longer could “claim” oil on federal lands. However, they could lease the lands, and pay production royalties to the federal government in the same way that they would a land owner.

Federal mineral royalties from oil, coal and trona, represent an important source of state revenues.

1.2 *Oil and Gas Law*

The BLM leases minerals and manages oil and gas development activities on over 570 million acres of BLM and other federal lands, in addition to private lands where mineral rights have been retained by the federal government. The Forest Service is responsible for identifying areas within the national forest system lands where leases can be sold. The Forest Service will also determine any lease stipulations that are necessary to protect surface resources. The BLM issues mineral leases and manages the sub-surface operations, while the Forest Service and other land management agencies bear responsibility for surface operations. The majority of the regulations that govern the BLM’s oil and gas leasing program can be found in *Title 43 of the Code of Federal Regulations, Part 3100*. The BLM has the authority to approve or deny oil and gas leases or to impose environmental restrictions on leases when appropriate. Oil and Gas regulations relating to the Forest Service are found in *Title 36 of the Code of Federal Regulations, Part 228, Section E*.

The oil and gas industry in Wyoming is largely governed by the statutory provisions in *Title 30, Chapter 5 Oil and Gas of the Wyoming Code*. Chapter 5 creates the Wyoming Oil and Gas Conservation Commission (“WOGCC”) and vests authority in the WOGCC to regulate oil and gas operations within the state, administer drilling permits, promulgate rules, and enforce Wyoming’s statutes and regulations. The WOGCC is also responsible for appointing a State Oil and Gas Supervisor to ensure industry compliance with laws and regulations.

Wyoming’s *Environmental Quality Act* also plays a significant role in regulating the environmental impacts of oil and gas operations within the state. The WOGCC and other state agencies, such as the Wyoming Air Quality Division, publish guidelines and policy statements intended to shape the future of oil and gas development in the state and ensure that regulated industries understand and maintain compliance with Wyoming’s statutes and regulations.

1.3 *Extractive Industries Transparency Initiative (“EITI”)*

On 2 November 2017, the United States Government decided to withdraw from the EITI. The Office of Natural Resources and Revenue issued a statement saying that “domestic implementation of EITI does not fully account for the U.S. legal framework.” Prior to its withdrawal, the United States made significant progress meeting the individual requirements of the EITI.

## Part XII

### FINANCIAL INFORMATION ON THE GROUP

#### Consolidated Financial Statements as at and for the years ended 31 December 2020 and 2019

The consolidated financial statements of the Group for the years ended 31 December 2020 and 2019, and published by the Company on its website and available to view at the following link [https://www.canoverseas.com/wp-content/uploads/2021/09/COPL-2020-FS\\_Final.pdf](https://www.canoverseas.com/wp-content/uploads/2021/09/COPL-2020-FS_Final.pdf), are incorporated by reference into this Prospectus.

#### Consolidated Financial Statements as at and for the years ended 31 December 2021 and 2020

The consolidated financial statements of the Group for the years ended 31 December 2021 and 2020, and published by the Company on its website and available to view at the following link [https://www.canoverseas.com/wp-content/uploads/2022/04/COPL-Q4-2021-FS\\_Mar31-FINAL.pdf](https://www.canoverseas.com/wp-content/uploads/2022/04/COPL-Q4-2021-FS_Mar31-FINAL.pdf), are incorporated by reference into this Prospectus.

#### Unaudited Condensed Interim Consolidated Financial Statements as at and for the quarters ended 30 September 2022 and 2021

The unaudited condensed interim consolidated financial statements of the Group as at 30 September 2022 and for the nine month periods ended 30 September 2022 and 2021, and published by the Company on its website and available to view at the following link [https://www.canoverseas.com/wp-content/uploads/2022/11/COPL-Q3-2022-FS\\_Nov14-FINAL.pdf](https://www.canoverseas.com/wp-content/uploads/2022/11/COPL-Q3-2022-FS_Nov14-FINAL.pdf), are incorporated by reference into this Prospectus.

Investors should make an investment decision on the basis of this data and such other information contained in this Prospectus.

A1, 18.1.1  
A1, 18.1.4  
A1, 18.1.5  
A1, 18.1.6  
A1, 18.1.7  
A1, 18.2.1  
A1, 18.3.1  
A1, 18.3.3  
A1, 8.1  
A1, 8.2  
A1, 8.3  
A1, 8.4  
A1, 8.5  
A1, 10.1

## - OPERATING AND FINANCIAL REVIEW OF THE GROUP

A1, 7.1.1

*The following discussion of the financial condition and results of operations of the Group should be read in conjunction with the information incorporated by reference in Part XII (Financial Information on the Group) and with the information relating to the business of the Group referred to elsewhere in this Prospectus. The discussion includes forward-looking statements that reflect the current view of the Directors and involve risks and uncertainties. The actual results of the Group could differ materially from those contained in any forward-looking statements as a result of factors discussed below and elsewhere in this Prospectus, particularly in Part III (Risk Factors).*

### 1. OVERVIEW

#### High level overview of the Company, its business, strategy and its management

The Company is an international oil and gas exploration and production company with oil producing assets in the United States and exploration and development prospects in Africa. The Company has ten direct and indirect wholly-owned subsidiaries: (i) COPL Technical Services, incorporated under the *Business Corporations Act* (Canada); (ii) COPL UK, which is registered under the laws of England and Wales; (iii) COPL Bermuda Holdings, which is registered under the laws of Bermuda; (iv) COPL Bermuda Ltd, which is registered under the laws of Bermuda; (v) COPL Ontario, incorporated under the laws of Ontario; (vi) COPL America Holding, a corporation incorporated under the laws of Delaware; (vii) COPL America, a corporation incorporated under the laws of Delaware; (viii) Atomic, a limited liability company organized under the laws of Colorado; (ix) SWP, a corporation incorporated under the laws of Colorado; and (x) Pipeco, a limited liability company organized under the laws of Wyoming. The Company also holds an indirect 50% interest in ShoreCan (which is registered under the laws of Bermuda) through COPL Bermuda.

Senior management and strategic corporate functions are performed by the Company's head office in Calgary, and geological, geophysical, engineering, drilling oversight, accounting and administrative functions are performed by COPL Technical Services in Calgary. Some geological, engineering, accounting and administrative functions are provided by SWP and geological, geophysical and certain senior management functions are performed by COPL UK as well. COPL Bermuda Holdings and COPL Bermuda were incorporated for operations in offshore Liberia and potential opportunities elsewhere in Africa.

The Company's strategy is to use the expertise and experience of its senior management team to grow its oil and gas business in the US and in sub-Saharan Africa through its ShoreCan joint venture.

In order to execute this strategy the Company plans to:

- exploit management's experience at finding and investing in high return exploration, appraisal or development opportunities focused primarily on oil;
- continue to invest in the development of its oil producing Wyoming Assets; and
- target desirable exploration and development prospects that contain similar seismic and geological characteristics of nearby existing discoveries or producing fields.

The Company's short-term operations will focus on:

- continuing production in the BFSU and the Cole Creek Unit;
- gas gathering system upgrades and increasing gas injection at the BFSU;
- re-completing and re-fracing up to six wells at the Cole Creek Unit;
- drilling of horizontal proven unproducing development (PUD) locations in both the Dakota sand and Frontier 2 sand that was mapped by Ryder Scott at Cole Creek; and
- evaluating new opportunities available in Africa and in other jurisdictions.

The acquisition of new projects and the development of existing projects by the Company are dependent on the Company having adequate financing for such projects (as required) at the appropriate time.

The Company's strategy for the Wyoming Assets is to increase the current oil production efficiently and cost effectively,

whilst maximizing the recovery of oil from the targeted reservoirs. The Company and Atomic were studying this together pre-closing. These studies initiated by the Company, conducted by a third-party reservoir engineering firm, focused on the update of the miscible flood reservoir simulation model of the BFSU miscible flood utilizing production and injection data from initiation of the miscible flood in December 2019 to the end of December 2020.

Whilst the Company focuses its work on increased gas injection to the capacity of its currently installed gas injection facilities it will defer drilling of additional injection and production wells at the BFSU to late 2023-2024. The Ryder Scott Report, dated 1 October 2020, assumed additional drilling in 2021 based on data in hand from the period ending August 2020. The subsequent analysis of one full year of production and gas injection data has indicated the performance of the miscible flood is exceeding the initial plan. As such, the Ryder Scott Report filed by the Company as at 31 December 2020 (and updated as of 1 April 2021), has been updated accordingly to reflect the reservoir performance up to 1 March 2021. During 2022, reservoir simulation work was updated by the third-party reservoir engineering firm and incorporated into the Ryder Scott Report as of 31 July 2022, which also included the assets acquired in the Cuda Acquisition.

In addition, the Company is evaluating drilling locations and targeted reservoirs in Proved Developed and Proved Undeveloped Reserve areas in the Cole Creek unit. The purpose of this evaluation will be to drill an initial 2 to 4 wells in 2021-2022 needed to initiate miscible flooding in 2023-2024 and to increase the Company's oil production.

### Nigeria

On 14 September 2016, COPL announced that ShoreCan had completed the acquisition of 80% of the share capital of Essar Nigeria. Essar Nigeria's sole asset is a 100% interest and operatorship of OPL 226, located about 50 kilometres offshore in the central area of the Niger Delta. As a party to a PSC for OPL 226, Essar Nigeria was required to seek Nigerian Government ministerial consent for the transaction, which is outstanding.

On 2 October 2018, NNPC granted a conditional approval of a twenty four months extension of the Phase-1 exploration period until 30 September 2020. The extension was subject to certain conditions, including submission of a performance bond of \$7 million required further to the PSC, to cover the Phase-1 exploration period work program at OPL226. Essar Nigeria was required to post such performance bond. Upon request in late December 2018, the Group submitted a comprehensive report entitled "Oil Prospecting License 226, Offshore Nigeria – Exploration Period: Phase I and Phase II Work Program" to the NNPC.

Essar Nigeria applied in early June 2020 to the NNPC for an extension of the exploration period under the OPL 226 PSC beyond the term ending on 30 September 2020. To date, no notice of termination has been received by Essar Nigeria, which under the terms of the OPL 226 PSC would need to have been issued sixty days before the 30 September 2020 expiry date. The two previous extensions to the drilling license at OPL 226 were also received by the Essar Nigeria following the previous expiration dates.

OPL 226 has an area of 1530 km<sup>2</sup> and is situated in water depths ranging from 40 to 180 meters. It offers oil appraisal and development opportunities having near term oil production potential and significant exploration upside. Historically, five wells have been drilled, with the first oil discovery on the block made in 2001 in the fifth well (Noa-1) after earlier drilling encountered predominantly gas-bearing sands.

ShoreCan and Essar Mauritius, the company that owns 20% of Essar Nigeria shares, were in disagreement about whether the other party was in compliance with its obligations under the Essar Nigeria Shareholders Agreement. Essar Nigeria's allegations, which it first made in August 2018, centre on the assertion that ShoreCan had not commenced funding of the \$80 million agreed cumulative funding in Essar Nigeria while ShoreCan categorically denied this with factual evidence of substantial expenditure to date.

Essar Mauritius filed a claim on 27 March 2020 in the High Court of Justice of England and Wales. Essar Mauritius sought in its claim to terminate the Shareholders' Agreement and the Share Purchase Agreement dated 17 August 2015 and the resulting transfer of its shares in Essar Nigeria to ShoreCan.

On 4 August 2020, the Company announced that ShoreCan had executed definitive agreements with Essar Mauritius to resolve their disputes. ShoreCan and Essar Mauritius entered into a sale and purchase agreement and other agreements, with each other concerning, among other things, their respective obligations under the Essar Nigeria Shareholders Agreement. See Section Part VIII5.2(c) (*OPL 226 – Settlement Transaction*) of Part VIII (*Information on the Group*). On 1 February 2021, the Company announced that ShoreCan and Essar Mauritius agreed to extend the completion date of the definitive agreements to 30 April 2021. A further subsequent extension to 30 July 2021 was agreed on 30 April 2021. The parties have since, on separate occasions agreed to extend the completion, most recently to 31 December 2021.

Essar Nigeria, has applied to the concessionaire and the regulator for an extension of the exploration period under the OPL 226 PSC beyond 30 September 2020. Completion of the definitive agreements outlined above is subject to the grant of such an extension and other customary completion conditions.

### High level overview of equity financings

Since the change in management and Board in August 2009, the Company's operations have been financed through issues of equity. Net proceeds obtained from a private placement in May 2010, a public offering in December 2010, public offerings in July and August 2013, the April 2014 Offer, the August 2014 Offer, the July 2015 Placing, the First Tranche Offering, the Second Tranche Offering, the Issued 2016 First Tranche Offering Warrant Shares and the Issued 2016 Second Tranche Offering Warrant Shares, the June 2017 Placing, October 2017 Placing, the August 2018 Placing and the 2018 Director Placing, the June 2019 Placing, September 2019 Placing, 2 July 2020 Placing, Subsequent July 2020 Private Placement and Initial Atomic Placing and related debt exchange arrangements as stipulated in the June 2020 Prospectus, the December 2021 Placing, the April 2022 Placing, the July 2022 Placing and the Winter Bond Financing amounted in aggregate to approximately \$257 million.

## **2. SIGNIFICANT FACTORS AFFECTING RESULTS OF OPERATIONS**

AI, 7.2.1  
AI, 5.1.1

The key factors affecting the Company's revenue, operating cash flow and financial conditions during the periods under review and those that are expected to affect its results in the future include:

- project acquisition, gas and liquid injection and exploration expenses;
- expansion of the Company's operations;
- equity and debt financing and financing costs;
- oil and gas and butane prices; and
- foreign exchange.

### **2.1 *Project acquisition, exploration expenses and success rates***

The Company has incurred substantial expenses related to the acquisition and/or farm-in of exploration projects, project evaluations, geological and geophysical analysis, exploration drilling costs and resources reports. In the future, the Company expects to incur additional significant exploration expenses and potential development expenditures if the projects carried out are successful. In particular, the level of the Company's expenditures depends largely on whether the Company is successful in discovering and appraising oil and gas reserves and developing these reserves into oil and/or gas producing assets.

### **2.2 *Company's operations***

The Company's administrative expenses amounted to \$3.9 million for the year ended 31 December 2019, decreased to \$2.7 million for the year ended 31 December 2020 and increased to \$8.3 million for the year ended 31 December 2021.

Legal, advisory, consulting and other expenses related to the Atomic Acquisition of approximately \$0.43 million and \$2.2 million are recognized as acquisition costs for the year ended 31 December 2020 and 31 December 2021, respectively. No acquisition costs were incurred in 2019.

Further to an annual recoverability assessment, the Company recognized a full allowance for expected credit loss in the consolidated statement of loss and comprehensive loss for the accounts receivable of \$385,000 due from its Nigerian joint partner as at 31 December 2020 and \$386,000 as at 31 December 2021. There was no such allowance recorded for the year ended 2019.

Petroleum sales, net of royalties totalled \$15.0 million for the 291 day period from the closing of the Atomic Acquisition during the year ended 31 December 2021.

On 26 July 2022, the Company completed the Cuda Acquisition, which was financed through proceeds from the July 2022 Placing.

## 2.3 *Equity financing*

A1, 8.3

For the period under review, the Company's operations have been principally financed through issues of equity. A summary of the Company's Common Share offerings is provided below. Detailed description of the changes in the Company's issued share capital from 1 January 2019 to the date of this document is provided in Section 3 of Part XIX (*Additional Information*).

<b>Date of fundraising/issuance</b>	<b>Price</b>	<b>Number of Common Shares</b>	<b>Gross amount raised</b>
June 2019 Placing (First Tranche)	£0.10 per Common Share	4,292,000	\$545,000
June 2019 Placing (Second Tranche)	£0.10 per Common Share	678,000	\$86,000
September 2019 Placing	£0.10 per Common Share	5,000,000	\$618,000
2 July 2020 Placing	£0.30 per Common Share	4,000,000	\$1,497,000
Issuance to YARF (pursuant to the Loan Agreement)	£0.30 per Common Share	385,000	\$144,000
Subsequent July 2020 Placing	£0.30 per Common Share	4,333,333	\$1,655,000
Initial Atomic Placing	£0.20 per Common Share	44,425,000	\$12,072,000
March 2021 Placing	£0.32 per Common Share	41,715,625	\$18,652,000
December 2021 Placing	£0.20 per Common Share	28,435,000	\$7,531,000
April 2022 Placing	£0.24 per Common Share	49,930,000	\$12,834,000

## 2.4 *Oil and gas prices*

The Company's exploration and future development strategies are influenced significantly by crude oil and natural gas and butane prices. Crude oil, gas and butane prices have been volatile in the past and are likely to continue to be volatile in the future. Prices for oil that are mainly based on world supply and demand, are also influenced by a number of other factors that are difficult to predict, including governmental regulations and social and political conditions.

The Company's plan is to continue to invest in the development of its early life oil and gas properties in Wyoming, US and to commence the development of its recent conventional oil discovery spanning the Frontier and Dakota sands at Cole Creek and the BFDU Units. Changes in world crude oil and natural gas prices may significantly affect the Company's results of operations, the value of the Company's oil and gas properties, the Company's ability to obtain financing and a level of spending for oil and natural gas exploration and development.

## 2.5 *Foreign exchange*

The consolidated financial statements are presented in United States dollars, which is currently the Company's functional and reporting currency.

Transactions denominated in foreign currencies are translated at the exchange rate prevailing on the transaction date. At each period end, monetary assets and liabilities denominated in a foreign currency are translated at the exchange rate prevailing at the period end date. All differences are recognized in net earnings. Non-monetary assets, liabilities and transactions denominated in a foreign currency and measured at historical cost are translated at the exchange rate in effect at the transaction date. Non-monetary items measured at fair value are translated using the exchange rates at the date when the fair value was determined.

For the purpose of consolidation, assets and liabilities of foreign subsidiaries are translated from their functional currency to USD using the exchange rate prevailing at the period end date. The statements of comprehensive loss and cash flows are translated using the average exchange rates for the period. Foreign exchange differences resulting from such transactions are recorded in Shareholders' Equity as accumulated other comprehensive income.

To mitigate a portion of its exposure to foreign exchange risk and to the extent it is feasible, the Company keeps its funds in currencies applicable to its known short-term obligations.

### 3. RESULTS OF OPERATIONS

#### 3.1 General

A1 5.1.1

Given the nature of the business and the Company's early stage of development prior to the Atomic Acquisition, the Company's historical operating losses are driven mainly by exploration costs, pre-license costs, administrative costs and stock-based compensation expense recognised further to stock options' grants.

The following discussion describes line items included in the Company's consolidated statements of comprehensive loss as at and for twelve months ended 31 December 2021, including oil production and operating income resulting from the Atomic Acquisition from 16 March 2021:

#### *Revenue, Net of Royalties*

Petroleum sales, net of royalties totalled \$15.0 million for the 291 day period from the closing of the Atomic Acquisition during the year ended 31 December 2021 (the "**Reporting Period**").

The Company's revenue relates to oil production in Wyoming, US that is currently sold under SWP's contracts with one purchaser, and is based on the monthly average of WTI for light sweet crude oil as quoted on NYMEX less negotiated differentials including transportation costs. SWP is an agent for certain non-operating joint interest owners and royalty owners, and receives and distributes revenue on their behalf. The net earnings (loss) only reflects the Company's portion of revenue net of royalties.

Oil production for the Reporting Period averaged 972 bbls/d net to the Company respectively at an average realized price of \$67.69/bbl. The average realized price the Company receives for its crude oil production depends on several factors, including the average benchmark prices for crude oil, transportation and product quality differentials.

Royalties are paid to the state of Wyoming and other land and mineral rights owners. The effective royalty rate, which is calculated by dividing the royalties into gross sales in the period was 21.7% for the Reporting Period.

#### *Commodity derivatives*

Effective 15 March 2021, in anticipation of the closing of the Atomic Acquisition and satisfying conditions attached to the Senior Credit Facility, the Company entered into a master risk management agreement with a third-party institution. The Company has in place the following commodity risk management contracts in respect of crude oil production and butane used for the miscible flood injection program as at 31 December 2021.

Commodity	Fixed price SWAP	Total notional volumes	Term	Average price (US\$)
Crude oil	WTI Futures	384,187 barrels	Jan 1/22 to Dec 31/22	\$56.58
Crude oil	WTI Futures	416,772 barrels	Jan 1/23 to Feb 29/24	\$52.87
Butane	Normal (NC4)	11,110,302 gallons	Jan 1/22 to Dec 31/22	\$0.768
Butane	Normal (NC4)	9,921,552 gallons	Jan 1/23 to Feb 29/24	\$0.670

- (1) The floating price of the crude oil contracts for each contract month is equal to the arithmetic average of the NYMEX WTI light sweet crude oil futures first nearby contract settlement price for each business day during the contract month.
- (2) The floating price of the butane contracts for each contract month is equal to the arithmetic average of the OPIS Mont Belvieu butane futures for each business day during the contract month.

### *Interest rate risk*

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Senior Credit Facility provides for an interest rate of LIBOR, with a floor of 2.0% plus 10.5% per annum. At the time of preparing the financial information for the Reporting Period, management did not believe there was a material interest rate risk associated with this facility as the LIBOR forward curve at that time for 2022 was below the floor of 2.0% and it varied between 2.1% and 2.6% for the remaining periods until maturity of the facility in March 2025. There were no interest derivative contracts as at 31 December 2021 or entered into subsequent to 31 December 2021 to manage interest rate risk.

### *Realized and unrealized gain (loss) on commodity derivatives*

For the Reporting Period, the Company recorded a realized loss on crude oil commodity derivatives of \$2.3 million (\$8.04/bbl) and a realized gain on butane commodity derivatives of \$2.8 million (\$9.96/bbl) related to the purchase of butane used for the miscible flood recovery program in the BFSU.

For the Reporting Period, the Company recorded an unrealized loss on crude oil commodity derivatives of \$10.3 million (\$36.52/bbl) and an unrealized gain on butane commodity derivatives of \$7.4 million (\$26.00/bbl).

### *Production Taxes and Operating Expenses*

The production taxes are comprised mainly of severance tax and ad valorem tax imposed in Wyoming, US and are directly related to crude oil sales and are generally assessed as a percentage of net revenues. From time to time, there are adjustments to the statutory rates for these taxes based upon certain credits that are determined based upon activity levels and relative commodity prices. For the Reporting Period the production taxes amounted to \$1.9 million (\$6.72/bbl).

Operating expenses related to the oil production in Wyoming for the Reporting Period amounted to \$4.3 million (\$15.13/bbl). The per unit operating costs for the Reporting Period included well workover costs of \$2.2 million (\$7.81/bbl).

### *Depletion, Depreciation and Amortization (“DD&A”) Expense*

DD&A for the Reporting Period was \$3.7 million (\$13.02/bbl). DD&A relates primarily to depletion of \$3.5 million (\$NIL in 2020 and 2019) that relates to the Atomic Group petroleum assets acquired on 16 March 2021. Depletion is calculated based on unit of production, estimates of proved and probable reserves, and future development costs to bring those reserves into production.

### *General and Administrative (“G&A”) Expenses*

G&A expenses include payroll, external directors’ fees and related costs (social security, payroll taxes, health benefits), consulting services, professional services (legal, audit, tax advice, reserve reports), office expenses, insurance, travel costs, stock exchange and transfer agent fees and other general administrative costs. The Company currently has a head office in Calgary, Canada and an operational office in Denver, Colorado.

G&A expenses amounted to \$8.3 million for the Reporting Period. The net increase in G&A expenses of \$5.6 million for the year ended 31 December 2021, compared to 2020 resulted mainly from:

- \$1.5 million represented expenses of the newly acquired Atomic Group including the employee and office expenditures in Denver, Colorado;
- \$1.4 million related to increases in payroll and related costs due to a management bonus paid in 2021, increase in employment and salaries in 2021 due to employees working full-time as compared to reduced working hours in 2020 and higher director’s fees as compared to reduced fees in 2020;
- \$0.8 million of the increase was for consulting and advisory services as a result of a higher level of activities as compared to the corresponding period of 2020, due to the Atomic Acquisition; and
- \$1.5 million increase in professional fees, stock exchange related costs, office expenses, travel costs and corporate development costs due to a higher level of activities in 2021 as compared to 2020.



### *Acquisition Costs*

Costs directly attributable to the Atomic Acquisition such as legal, advisory and professional services are expensed as incurred and amounted to \$2.2 million for the year ended 31 December 2021 and \$0.4 million for the year ended 31 December 2020.

### *Share-Based Compensation Expense*

The Company has a stock option plan where the number of Common Shares reserved under the plan shall not exceed 10% of the issued and outstanding Common Shares and the number reserved for any one individual may not exceed 5% of the issued and outstanding Common Shares. Exercise prices for stock options granted are determined by the closing market price on the day before the date of grant.

There were no stock options granted during 2021. On 29 January 2022, the Company granted 15,430,000 stock options to its directors, officers and employees. In addition, 309,095 stock options that were exercisable as at 31 December 2021, were forfeited on 2 March 2022.

### *Finance costs*

Finance costs amounted to \$6.9 million for the Reporting Period, as compared to \$0.4 million in the year ended 31 December 2020. The costs incurred in 2021 relate primarily to the Atomic Acquisition and ongoing US operations.

### *Gain (loss) on derivative liabilities*

For the Reporting Period, the Company recorded a gain of \$1.1 million as compared to a gain of \$0.1 million in the year ended 31 December 2020, that related to the remeasurement of the fair value of derivative liabilities.

### *Gain on extinguishment of loan*

Further to the Atomic Acquisition, the Company assumed a loan entered into by SWP. On 14 April 2020, SWP had entered into an unsecured promissory note in the amount of \$0.3 million under the Paycheck Protection Program (the “**PPP Note**”). The Paycheck Protection Program was established under the Coronavirus Aid, Relief, and Economic Security Act (the “**CARES Act**”) and is administered by the US Small Business Administration (the “**SBA**”). Under the terms of the CARES Act, PPP Note recipients could apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Under terms of the CARES Act, these funds were to be used for payroll and utility payments.

On 26 April 2021, SWP, applied for forgiveness of the PPP Note and on 1 July 2021, the SBA approved the application. Accordingly, the Company recognized a gain on extinguishment of this loan of \$0.3 million for the year ended 31 December 2021.

### 3.2 *Year ended 31 December 2021 compared to the year ended 31 December 2020*

The following table presents data from the Company's audited consolidated statements of comprehensive loss for the years ended 31 December 2021 and 2020.

<b>For the years ended December 31 (in USD 000s)</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>		
Petroleum sales, net of royalties	<b>15,003</b>	-
Realized loss on commodity derivatives – crude oil	<b>(2,274)</b>	-
Unrealized loss on commodity derivatives – crude oil	<b>(10,331)</b>	-
	<b>2,398</b>	-
<b>Expenses</b>		
Production taxes	<b>(1,900)</b>	-
Operating	<b>(4,279)</b>	-
Realized gain on commodity derivatives – butane	<b>2,816</b>	-
Unrealized gain on commodity derivatives – butane	<b>7,355</b>	-
Depletion, depreciation and amortization	<b>(3,682)</b>	(70)
General and administrative	<b>(8,302)</b>	(2,719)
Share-based compensation	-	(973)
Acquisition costs	<b>(2,159)</b>	(431)
Pre-license costs	<b>(300)</b>	(39)
Expected credit loss	<b>(1)</b>	(385)
	<b>(10,452)</b>	(4,617)
<b>Financing expenses</b>		
Finance costs, net	<b>(6,898)</b>	(372)
Gain on derivative liabilities	<b>1,091</b>	87
Gain on extinguishment of loan	<b>332</b>	13
Foreign exchange (loss) gain, net	<b>(6)</b>	74
	<b>(5,481)</b>	(198)
Loss before investment in joint venture	<b>(13,535)</b>	(4,815)
Loss on investment in joint venture	<b>(1)</b>	(146)
Loss after investment in joint venture	<b>(13,536)</b>	(4,961)
Income tax expense	-	-
<b>Net loss</b>	<b>(13,536)</b>	(4,961)
Gain (loss) on translation of foreign subsidiaries	<b>48</b>	(99)
<b>Comprehensive loss</b>	<b>(13,488)</b>	(5,060)

### 3.3 *Year ended 31 December 2020 compared to the year ended 31 December 2019*

The following table presents data from the Company's audited consolidated statements of comprehensive loss for the years ended 31 December 2020 and 2019.

<b>For the years ended 31 December (in USD 000s)</b>	<b>2020</b>	<b>2019</b>
<b>Operations</b>		
General and administrative	<b>(2,719)</b>	(3,930)
Acquisition costs	<b>(431)</b>	-
Pre-license costs	<b>(39)</b>	-
Expected credit loss	<b>(385)</b>	-
Stock-based compensation	<b>(973)</b>	-
Depreciation	<b>(70)</b>	(37)
	<b>(4,617)</b>	(3,967)
<b>Finance income and costs</b>		
Finance expense – YARF Loan	<b>(372)</b>	(1)
Gain on extinguishment of loan	<b>13</b>	-
Gain on derivative liabilities	<b>87</b>	-
Foreign exchange gain	<b>74</b>	50
	<b>(198)</b>	49
Loss before investments in joint ventures	<b>(4,815)</b>	(3,918)
Loss on investment in joint venture	<b>(146)</b>	(1)
<b>Net Loss</b>	<b>(4,961)</b>	(3,919)
Loss on translation of foreign subsidiaries	<b>(99)</b>	(77)
<b>Comprehensive Loss</b>	<b>(5,060)</b>	(3,996)

### *G&A Expenses*

G&A expenses amounted to \$2.7 million for the year ended 31 December 2020, compared to \$3.9 million for the same period in 2019.

The decrease in G&A expenses of \$1.2 million for the year ended 31 December 2020, compared to the same period in 2019 resulted mainly from:

- a decrease in payroll due to reduced working hours in effect from September 2019 to June 2020,
- external directors' fees were waived for the first and second quarter of 2020 further to Board resolutions dated 26 March 2020 and 14 September 2020; external directors' fees for 2019 were waived in March 2020 and are recognized in 2020 as a gain on waived fees directly in the Company's statement of comprehensive loss for 2020; in addition, external directors' quarterly fees were substantially reduced effective in third quarter of 2020 but have since been re-instated,
- a decrease in office rent expenses due to the office lease renewal in September 2019 at a lower rent; in addition a reduction in G&A costs resulted from an application of IFRS 16 "*Leases*" to the renewed office lease, which provides for only operating costs to be included in administrative expenses, while a rent portion of the lease is recognized as right-of-use assets and depreciated over a term of the office lease contract, and
- a decrease in consulting services, software licenses and maintenance costs, travel costs and other general and administrative cost due to a lower level of activities as compared to same period of 2019.

### *Acquisition Costs*

Legal, advisory, consulting and other expenses related to the Atomic Acquisition of approximately \$0.4 million were recognized as acquisition costs for the year ended 31 December 2020. No acquisition costs were incurred in 2019.

### *Expected Credit Loss*

As at 31 December 2020, further to an annual recoverability assessment, the Company recognized a full allowance for expected credit loss in the consolidated statement of loss for the accounts receivable of \$0.4 million due from its Nigerian joint partner. There was no such allowance recorded for the years ended 2019.

### *Gain on waived 2019 directors' fees*

During the year ended 31 December 2020 and further to a board resolution, the Company recorded a gain on waived 2019 directors' fees in the amount of \$0.4 million. There was no such gain recorded in the same period of 2019.

### *Stock-Based Compensation Expense*

On 14 September 2020, the Company granted to its directors, officers and employees 3,416,092 stock options to acquire the Common Shares at an exercise price of £0.35 (\$0.45) per share. The stock options vest immediately and expire five years from the date of grant. The related stock-based compensation expense of \$0.9 million has been recognized as an addition to contributed capital reserve (\$nil in the same period of 2019). The fair value of each stock option granted was estimated on the date of grant using a Black-Scholes option pricing model.

There were no changes to the Stock Option Plan, and no stock options were exercised or expired and/or forfeited during the year ended 31 December 2020.

Additional stock-based compensation expense in the amount of \$0.1 million has been recorded in the statement of comprehensive loss for the year ended 31 December 2020 in respect of debt exchange arrangements with employees.

### *Depreciation*

Depreciation of \$8,000 for the year ended 31 December 2020 (\$16,000 for the same period in 2019) relates to office furniture and equipment. Depreciation is calculated on a straight-line basis over expected useful life of equipment.

In addition, commencing 1 September 2019 and further to the implementation of IFRS 16, the Company depreciates its right-of-use assets recognized in respect of an office lease in Calgary. Depreciation is calculated on a straight-line basis over the term of office lease and amounted to \$62,000 for the year ended 31 December 2020 (\$21,000 for the same period in 2019).

#### *Interest Expense – CEO Loan*

The Company recorded interest expense on a short-term loan received from its CEO in the amount of \$13,000 for the year ended 31 December 2020 (\$nil for the same period in 2019). The CEO Loan was provided on 14 February 2020 and was interest bearing at a rate of 10% per annum.

#### *Finance Expense – Loan*

For the year ended 31 December 2020, the Company recorded \$0.3 million of finance expenses related to a loan that include a fixed coupon charge of 12.5% on the total loan amount of \$98,000, an implementation fee of \$45,000, legal, due diligence and other fees of \$30,000 as well as fair value of warrants of \$160,000. There were no finance expenses recorded in the same period of 2019.

#### *Gain on Extinguishment of Loan*

On 15 June 2020, the terms of the CEO Loan were varied, in part, by the Loan Agreement providing for an extension of maturity of the CEO Loan until 31 December 2020 or conversion into COPL's Common Shares at a deemed price of £0.30 per share, being the placing price pursuant to the share issuance on 2 July 2020 at the option of the CEO of the Company. As at that day, due to the addition of a conversion option element of the loan, the Company calculated the fair value of the amended instrument, compared it to the carrying value of the CEO Loan and recognized a gain on extinguishment of loan of \$13,000 for the year ended 31 December 2020 (\$nil for the same period in 2019).

#### *Gain/Loss on Derivative Liabilities*

Gain on derivative liability of \$87,000 for the year ended 31 December 2020 relates to:

- gain on derivative of \$3,000 in respect of an embedded derivative conversion option component of the CEO Loan that is considered nil as at 23 December 2020, the date of conversion,
- gain on derivative of \$84,000 in respect of change in fair value of YARF Warrants that are classified as a derivative financial instrument.

There was no gain/loss on derivatives recorded in 2019.

#### *Loss on Investment in Joint Venture*

The Company currently holds a 50% interest in a jointly controlled entity, ShoreCan. For the year ended 31 December 2020, the Company charged ShoreCan management and technical services of \$0.9 million (2019 - \$1.4 million) and charged an interest expense of \$0.5 million (2019- \$0.6 million), which were included in ShoreCan's G&A expenses and interest expenses for the same period. This amount of revenue was reversed from the Company's revenue and investment in joint venture.

For the year ended 31 December 2020, the Company's share of ShoreCan's losses exceeded the Company's net investment of \$0.1 million for this period (\$1,000 for the year ended 31 December 2019). Accordingly, under the equity method, the Company recognized a loss on investment in ShoreCan of \$0.1 million for the year ended 31 December 2020 (\$1,000 for the year ended 31 December 2019).

## **4. LIQUIDITY AND CAPITAL RESOURCES**

The Company's liquidity requirements arise principally from its working capital requirements and capital expenditure investments. For the periods under review, the Company met its liquidity requirements from the proceeds of the equity financings referred to in Section 2.3 of this Part XIII above.

As of 31 December 2021, the Company had a working capital deficit of approximately \$40.0 million, cash and cash equivalents of \$7.8 million and a shareholders' deficit of \$35.0 million.

For the year ended 31 December 2021, the Company's cash used in operating activities amounted to approximately \$7.8 million (compared to \$3.9 million for the same period in 2020). Cash provided by financing activities amounted to approximately \$72.9 million for year ended 31 December 2021 (compared to approximately \$10.3 million for the same period in 2020). Cash used in investing activities amounted to approximately \$58.7 million for the year ended 31 December 2021 (compared to approximately \$5.2 million for the same period 2020).

The increase in the working capital deficiency to \$40.0 million as at 31 December 2021, as compared to a working capital deficiency of \$5.7 million at 31 December 2020 was due mainly to the Senior Credit Facility, derivative liabilities, and commodity derivative liability being reclassified to current liabilities due to covenant defaults on the Senior Credit Facility as at 31 December 2021 that were waived subsequent to the year end. At 31 December 2021, the major components of the Company's current assets were cash and cash equivalents (51%) and accounts receivable (45%) primarily comprised of receivables from joint interest partners in the Wyoming assets.

Current liabilities largely consist of trade payables and accrued liabilities (48%) and revenue and production taxes payable (52%) related to the Company's operations. The Company will manage its working capital using its cash flow from operating activities and funds from equity or debt issuances. The Company invests its excess cash in a short-term interest-bearing account with its financial institutions.

#### *Cash flows*

#### ***Year ended 31 December 2021 compared to the year ended 31 December 2020***

A1, 8.2

The following table presents data from the Company's audited consolidated statements of cash flows for the years ended 31 December 2021 and 2020.

<b>(in USD 000s)</b>	<b>For the year ended 31 December</b>	
	<b>2021</b>	<b>2020</b>
Cash used in/from:		
Operating activities	(7,758)	(3,899)
Financing activities	72,967	10,309
Investing Activities	(58,746)	(5,177)
Increase/ (decrease) in cash and cash equivalents during the period	6,463	1,233
Effect of foreign exchange on cash and cash equivalents held in foreign currencies	(23)	93
Cash and cash equivalents, beginning of period	1,401	75
Cash and cash equivalents, end of period	7,841	1,401

#### *Cash used in operating activities*

For the year ended 31 December 2021, the Company's cash used in operating activities amounted to \$7.8 million, compared to \$3.9 million for the same period in 2020. The following table summarises the Company's operating activities by line items as presented in the Company's audited consolidated statements of cash flows for the years ended 31 December 2021 and 2020.

<b>(in USD 000s)</b>	<b>For the year ended 31 December</b>	
	<b>2021</b>	<b>2020</b>
<b>Cash used in operating activities</b>		
Net loss	(13,536)	(4,961)
Gain on waived director's fees	-	(431)
Depletion, depreciation and amortization	3,682	70
Unrealized loss on commodity derivatives – crude oil	10,331	-
Unrealized gain on commodity derivatives – butane	(7,355)	-
Finance costs, net	6,898	372
Gain on extinguishment of loan	(332)	(13)
Gain on derivative liabilities	(1,091)	(87)
Gain on office lease relief	-	(11)
Share-based compensation	-	973
Unrealized foreign exchange gain, net	(50)	(119)
Loss on investment in joint venture	1	146
Net change in non-cash operating working capital	(6,306)	162
	<b>(7,758)</b>	<b>(3,899)</b>

### *Cash provided by financing activities*

Cash provided by financing activities amounted to \$73.0 million for year ended 31 December 2021 (compared to \$10.3 million for the same period in 2020). The following table summarises the Company's financing activities by line items as presented in the Company's audited consolidated statements of cash flows for the years ended 31 December 2021 and 2020.

(in USD 000s)	For the year ended 31 December	
	2021	2020
<b>Cash provided by financing activities</b>		
Issuance of share capital, net of issue costs	37,095	4,483
Gross proceeds from the Senior Credit Facility	45,000	-
Lender's & borrower's fees paid on the Senior Credit Facility	(3,544)	-
Interest paid on the Senior Credit Facility	(4,643)	-
Proceeds from CEO Loan	-	153
Interest paid on CEO Loan	-	(14)
(Repayment) proceeds of YARF Loan	(683)	633
Proceeds from subscriptions	-	5,269
Financing expense	-	(172)
Payment of lease obligations, net of rent concessions	(109)	(48)
Net change in non-cash financing working capital	(149)	5
	<b>72,967</b>	<b>10,309</b>

### *Cash used in investing activities*

A1, 5.7.1

Cash used in investing activities amounted to \$58.7 million for the year ended 31 December 2021 (compared to \$5.2 million for the same period in 2020). In 2021, the Company closed the Atomic Acquisition for \$50.0 million cash and the issuance of \$4.0 million in Common Shares, drilled and completed one successful discovery well in the BFDU for \$3.3 million which has identified several follow-up drill locations in the area and three recompletions in the Cole Creek Unit for \$1.1 million. The three recompletions in the Cole Creek Unit were fracture treatments that resulted in modest, but stable production gains in each well.

All natural gas production in the BFSU is reinjected into the BFSU Shannon reservoir as part of the miscible flood program, however to maximum the effectiveness of the miscible flood the Company acquires additional natural gas and natural gas liquid volumes from third parties to inject in the reservoir. Due to high natural gas and natural gas liquid prices in 2021, the Company spent \$16.4 million on injections. Additionally, the Company spent \$0.9 million on an overhead stabilizer tower to the existing truck rack at a third party owned and operated plant to facilitate delivery of the natural gas liquids to the Company to meet the requirements of the miscible flood.

The following table summarises the Company's investing activities by line items as presented in the Company's audited consolidated statements of cash flows for the years ended 31 December 2021 and 2020.

(in USD 000s)	For the year ended 31 December	
	2021	2020
<b>Cash used in investing activities</b>		
Acquisitions	(45,079)	(5,000)
Acquisitions cash acquired	9,160	-
Property and equipment expenditures	(19,003)	(31)
Exploration and evaluation assets expenditures	(3,285)	-
Additions to investment in joint venture	(1)	(146)
Interest income	10	-
Net change in non-cash investing working capital	(548)	-
	<b>(58,746)</b>	<b>(5,177)</b>

### *Year ended 31 December 2020 compared to the year ended 31 December 2019*

The following table presents data from the Company's audited consolidated statements of cash flows for the years ended 31 December 2020 and 2019.

(in USD 000s)	For the year ended 31 December	
	2020	2019
<b>Cash used in/from:</b>		
Operating activities	(3,899)	(2,857)
Financing activities	10,309	1,068

(in USD 000s)	For the year ended 31 December	
	2020	2019
Investing Activities	(5,177)	(5)
Increase/ (decrease) in cash and cash equivalents during the period	1,233	(1,794)
Effect of foreign exchange on cash and cash equivalents held in foreign currencies	93	13
Cash and cash equivalents, beginning of period	75	1,856
Cash and cash equivalents, end of period	1,401	75

#### *Cash used in operating activities*

For the year ended 31 December 2020, the Company's cash used in operating activities amounted to \$3.9 million, compared to \$2.9 million for the same period in 2019. The following table summarises the Company's operating activities by line items as presented in the Company's audited consolidated statements of cash flows for the years ended 31 December 2020 and 2019

(in USD 000s)	For the year ended 31 December	
	2020	2019
<b>Cash used in operating activities</b>		
Net loss	(4,961)	(3,919)
Gain on waived director's fees	(431)	-
Depletion, depreciation and amortization	70	37
Finance costs, net	372	1
Gain on extinguishment of loan	(13)	-
Gain on derivative liabilities	(87)	-
Gain on office lease relief	(11)	-
Share-based compensation	973	-
Unrealized foreign exchange gain, net	(119)	(80)
Loss on investment in joint venture	146	1
Net change in non-cash operating working capital	162	1,103
	(3,899)	(2,857)

#### *Cash provided by financing activities*

Cash provided by financing activities amounted to \$10.3 million for year ended 31 December 2020 (compared to \$1.1 million for the same period in 2019) and related mainly to proceeds from subscriptions, representing cash received in advance of equity placing completed subsequent to year end 2020 and net proceeds from the 2 July 2020 Placing and Subsequent July 2020 Placing, each of which closed in July 2020 as well as proceeds from the CEO Loan and the YARF Loan.

The following table summarises the Company's financing activities by line items as presented in the Company's audited consolidated statements of cash flows for the years ended 31 December 2020 and 2019.

(in USD 000s)	For the year ended 31 December	
	2020	2019
<b>Cash provided by financing activities</b>		
Issuance of Common Shares, net of issue costs	4,483	922
Proceeds from CEO Loan	153	-
Interest paid on CEO Loan	(14)	-
Proceeds from YARF Loan, net of repayment	633	-
Proceeds from subscriptions	5,269	-
Financing expense	(172)	-
Payment of lease obligations, net of rent concessions	(48)	(3)
Net change in non-cash working capital	5	149
	10,309	1,068

#### *Cash used in investing activities*

Cash used in investing activities amounted to \$5.2 million for the year ended 31 December 2020 (compared to \$5,000 for the same period in 2019). The following table summarises the Company's investing activities by line items as presented in the Company's audited consolidated statements of cash flows for the years ended 31 December 2020 and 2019.

(in USD 000s)	For the year ended 31 December	
	2020	2019
<b>Cash used in investing activities</b>		
Prepaid purchase price	(5,000)	-
Additions to office equipment	(31)	(3)
Additions to Right-of-use assets	-	(3)
Additions to investment in joint venture	(146)	(1)
Interest income	-	2
	(5,177)	(5)

#### 4.1 *Commitments and contractual obligations*

##### *Commitments*

As at 31 December 2019 and 31 December 2020, the Company did not have any commitments and/or contractual obligations.

The following table lists the Company's estimated material contractual obligations and commitments as at 31 December 2021:

	2022	2023-2024	2025-2027	Thereafter
Accounts payable and accrued liabilities	12,438	-	-	-
Senior Credit Facility <sup>(1)</sup>	45,000	-	-	-
Lender Warrants <sup>(1)</sup>	2,250	-	-	-
NGL purchase agreements <sup>(2)</sup>	1,766	4,165	3,640	-
Lease liabilities <sup>(3)</sup>	81	147	-	-
	<b>61,535</b>	<b>4,312</b>	<b>3,640</b>	<b>-</b>

- (1) Due to the defaults, the Company classified the Senior Credit Facility as a current liability at 31 December 2021. Given the Senior Credit Facility has been classified as a current liability, the Lender Warrants have also been classified as a current liability due to the Lender Warrants being aligned with that of the Senior Credit Facility. On 31 March 2022, the Company received a waiver from the Lender with respect to the defaults and the indebtedness was classified as a non-current liability subsequent to 31 December 2022.
- (2) Includes commitments to purchase mixed natural gas liquids, consisting primarily of butane for the miscible flood recovery program in the BFSU.
- (3) Includes a commitment to lease obligations relate to its office in Calgary, Alberta Canada, which expires on 31 August 2024.
- (4) Contractual obligations and commitments that are not material to the Company are excluded from the above table. The Company's asset retirement obligation are excluded from the table as these obligations arose from a regulatory requirement rather than from a contractual arrangement. The Company estimates the total undiscounted and inflation adjusted cash flow to settle its asset retirement obligation on its wells and facilities at 31 December 2021 to be approximately \$15.7 million and are estimated to be incurred 25 to 50 years in the future. The estimate for determining the undiscounted asset retirement obligation requires significant assumptions on both the cost and timing of the abandonment and therefore the actual obligation may differ materially.

##### *ShoreCan's Commitments*

A11.4.8

The Company currently holds a 50% interest in a jointly controlled entity, ShoreCan, focusing on acquisitions of upstream oil and gas exploration, development and producing assets in Africa. ShoreCan had committed to invest up to a maximum of \$80.0 million into Essar Nigeria in the form of an interest-free shareholder loan.

As at the date of filing this prospectus, COPL has not provided any guarantee in respect of obligations, commitments and/or losses of either ShoreCan or Essar Nigeria.

On 4 August 2020, the Company announced that ShoreCan had executed definitive agreements with Essar Mauritius to resolve their disputes. ShoreCan and Essar Mauritius entered into a sale and purchase agreement and other agreements, with each other concerning, among other things, their respective obligations under the Essar Nigeria Shareholders Agreement. ShoreCan and Essar Mauritius have agreed to extend the completion date of the definitive agreements on various occasions, most recently to 31 December 2021. See Section Part VIII.5.2(c) (*OPL 226 – Settlement Transaction*) of Part VIII (*Information on the Group*).

##### *Contingent liabilities*

The Company did not have any contingent liabilities as at 31 December 2021, 2020 and 2019.

## 5. **BALANCE SHEET**

The following table summarises the Company's financial position as at 31 December 2021, 2020 and 2019:



(USD 000s)	31 December 2021	31 December 2020	31 December 2019
Cash and cash equivalents	7,841	1,401	75
Accounts receivable	6,875	40	20
Other assets	674	217	85
Current assets	15,390	1,658	180
Prepaid purchase price	-	5,000	-
Exploration and evaluation assets	5,172	-	-
Property and equipment, net	78,006	61	38
Right-of-use assets	166	229	291
Long-term receivables & deposits	44	44	239
Total assets	98,778	6,992	748
Accounts payable and accrued liabilities	12,438	1,066	1,424
Senior Credit Facility	36,372	-	-
Subscription receipts liability	-	5,472	-
Short-term loans	-	683	-
Derivative liabilities	3,573	91	-
Commodity derivative liability	2,976	-	-
Lease liabilities	217	275	315
Asset retirement obligations	8,191	-	-
Total liabilities	63,767	7,587	1,739
Share capital	190,705	142,639	138,087
Warrants	1,173	145	107
Contributed capital reserve	51,260	51,260	50,394
Accumulated deficit	(205,927)	(192,391)	(187,430)
Accumulated other comprehensive loss	(2,200)	(2,248)	(2,149)
Shareholders' equity/(deficit)	35,011	(595)	(991)

#### 5.1 *Cash and cash equivalents*

Cash and cash equivalents include cash held at banks, cash in trust, short-term deposits with an original maturity of three months or less, and credit card deposits. The Company deposits its cash with reputable Canadian, US and Bermudian banks. The Company did not have any overdraft facilities in place as at 31 December 2021, 2020 and 2019.

#### 5.2 *Current assets*

Other than cash and cash equivalents, the Company's current assets include also accounts receivable, prepaid expenses, oil inventory and deposits. The accounts receivable (mainly revenue and joint interest receivable) of \$6.9 million, prepaid expenses of \$0.6 million and oil inventory of \$0.1 million all increased as at 31 December 2021, due mainly to the Atomic Acquisition.

#### 5.3 *Prepaid purchase price*

In connection with the Atomic Acquisition, the Company made a non-refundable deposit payment of \$1.0 million on 15 December 2020 (due upon signing the Atomic SPA) and paid a refundable deposit of \$4.0 million on 31 December 2020. Accordingly, \$5.0 million is recognized as prepaid purchase price in the Company's consolidated statement of financial position as at 31 December 2020.

#### 5.4 *Exploration and evaluation (E&E) assets*

In connection with the Atomic Acquisition, the Company acquired E&E assets in Wyoming, US and incurred expenditures in the 2021 calendar period on an exploratory discovery well. Accordingly, \$5.2 million is recognized as E&E assets in the Company's consolidated statement of financial position as at 31 December 2021.

#### 5.5 *Property and equipment assets*

In connection with the Atomic Acquisition, the Company acquired producing oil and gas assets in Wyoming, US and incurred additional expenditures in the 2021 calendar period on development activities. Accordingly, \$78.0 million is recognized as property and equipment assets in the Company's consolidated statement of financial position as at 31 December 2021.

## 5.6 ***Right of use assets***

As at 31 December 2021, 31 December 2020 and 31 December 2019 and in accordance with IFRS 16, the Company recorded \$0.2 million, \$0.2 million and \$0.3 million, respectively of right-of-use assets in respect of the office lease that was renewed effective 1 September 2019. The Company depreciates its right-of-use assets on a straight-line basis over the term of the office lease contract of five years.

## 5.7 ***Total assets***

Total assets increased by \$91.8 million from \$7.0 million as at 31 December 2020 to \$98.8 million as at 31 December 2021. This increase is mainly a result of an increase in cash and cash equivalents of \$6.4 million, accounts receivable of \$6.9 million, E&E assets of \$5.2 million and property and equipment of \$78.0 million due primarily to the Atomic Acquisition.

Total assets increased by \$6.2 million from \$0.8 million as at 31 December 2019 to \$7.0 million as at 31 December 2020. This increase is mainly a result of an increase in prepaid purchase price of \$5.0 million, an increase in cash and cash equivalents of \$1.3 million, an increase in deferred share issue costs and prepayments of \$0.2 million in total, compensated by a decrease in a long term receivable of \$0.2 million.

## 5.8 ***Accounts payable and accrued liabilities***

The Company's accounts payable and accrued liabilities amounted to \$12.4 million as at 31 December 2021, \$1.1 million as at 31 December 2020, and \$1.4 million as at 31 December 2019. The significant increase in accounts payable as at 31 December 2021 compared to 31 December 2020, resulted mainly from the Atomic Acquisition.

## 5.9 ***Senior Credit Facility***

The Atomic Acquisition was funded in part with debt through a loan agreement dated 16 March 2021 between a US based global investment firm (the "Lender") and COPL America, a 100% owned subsidiary of the Company, repayable within a four-year term. To fund the Atomic Acquisition, COPL America drew an initial principal loan amount of \$45.0 million. The amount funded to COPL America of approximately \$43.2 million, net of financing and transaction costs was used to settle Atomic's previously outstanding external debt of \$26.1 million, a \$10.0 million payment to the vendor, \$5.0 million of the Atomic Purchase Price initially withheld and paid subsequent to Closing, and the remainder for funding ongoing US operations.

The Senior Credit Facility Agreement is subject to an interest rate of LIBOR, with a floor of 2.0% plus 10.5% per annum with such interest to be paid monthly in arrears. From the first anniversary of the Senior Credit Facility the outstanding loan principal will be repaid monthly by COPL America's cash resources in excess of \$2.5 million, and COPL America may prepay amounts outstanding subject to prepayment premiums from the first anniversary of the loan. The Senior Credit Facility also includes mandatory prepayments of the outstanding principal amount for asset sales greater than \$0.15 million per transaction or \$0.25 million in aggregate over the term of the Senior Credit Facility, insurance proceeds greater than \$0.15 million, issuance of indebtedness, extraordinary receipts and equity issuances.

The Senior Credit Facility includes the following covenants: spending on capital expenditures subject to Lender approval, and the maintenance of certain financial ratios for asset coverage (1.5:1.0), a leverage ratio of 3.0:1.0 as at 31 March 2022, 2.75:1.0 as at 30 June 2022 and 2.50:1.0 as at 30 September 2022 and each fiscal quarter ending thereafter and liquidity (45-day minimum average balance of unrestricted cash must be at least \$2.5 million, other than a 30-day minimum average balance of unrestricted cash must be at least \$2.0 million as at 31 January 2023 and 28 February 2023 as amended pursuant to the waiver obtained on 30 December 2022). Financial ratio covenants are applicable for the periods commencing after the first anniversary of the Senior Credit Facility. The Senior Credit Facility did not require security or guarantees to be provided by the Company or its wider group outside of the US and all financial ratios are calculated with reference to only COPL America and its US subsidiaries.

Under a separate warrant agreement dated 16 March 2021, the Lender was granted five warrants representing 5% of the common shares of COPL America for an exercise price of \$0.01 per warrant (the “**Lender Warrants**”). The Lender Warrants may be exercised, in whole or in part at any time and from time to time from and after 16 March 2021 until the later of: (i) the 60th day following the date on which the Senior Credit Facility is paid in full and (ii) 16 March 2025. Upon exercise, the Lender would be entitled to redeem such Lender Warrants for an amount equal to the greater of 5% of the Company’s market capitalization or 5% of the net asset value of COPL America at such time. The Lender Warrants were issued as a requirement of the Lender for providing the Senior Credit Facility and are part of the cost of debt and factored into overall determination of the effective interest rate for the Senior Credit Facility. As the Lender Warrants are a puttable financial instrument at the option of the Lender, the Company cannot avoid issuing cash or Common Shares to the Lender and they are classified as derivative liabilities recognized at fair value upon issuance and measured at each reporting period end with changes in fair value recognized in net income (loss).

The following table provides a summary of the Senior Credit Facility including associated derivative liabilities as at 31 December 2021:

	Senior Credit Facility	Derivative Liabilities	Total
Principal amount	45,000	-	45,000
Lender’s closing and legal costs (c)	(1,870)	-	(1,870)
Borrower’s closing and legal costs (c)	(1,560)	-	(1,560)
Initial valuation of Lender Warrants (a)	(4,900)	4,900	-
Initial valuation of LIBOR floor (b)	(2,252)	2,252	-
Financing costs expensed upon initial valuation (c)	545	-	545
Lender Warrants revalued as at 31 December 2021 (a)	-	(2,650)	(2,650)
LIBOR floor revaluation as at 31 December 2021 (b)	-	(937)	(937)
Accretion	1,409	-	1,409
Balance, end of the year	36,372	3,565	39,937

As at 16 March 2021, the fair value of the Senior Credit Facility of \$45.0 million was assigned as follows: \$35.0 million, net of financing costs of \$2.8 million to the Senior Credit Facility, \$4.9 million to the Lender Warrants and \$2.3 million to the LIBOR floor.

- (a) As at 16 March 2021, the fair value assigned to the Lender Warrants of \$4.9 million was determined using 5% of COPL’s market capitalization on a fully diluted basis, which was greater than 5% of the net asset value of COPL America. As at 31 December 2021, the Lender Warrants were revalued at \$2.3 million using 5% of COPL’s market capitalization on a fully diluted basis. The resulting change in fair value of \$2.6 million was recognized in net income (loss) for the year ended 31 December 2021.
- (b) The LIBOR floor was assessed to be an embedded derivative. As at 16 March 2021, the LIBOR floor was in-the-money, and the forward curve for 1-month LIBOR over the term of the Senior Credit Facility indicates that it will remain in the money for the duration of the Senior Credit Facility. Therefore, the LIBOR floor is not closely related to the host debt contract of \$45.0 million, and is recognized as a derivative liability that is revalued at each reporting period end with resulting changes in fair value recognized in net income (loss). As at 31 December 2021, the LIBOR floor was revalued at \$1.3 million and the resulting change in fair value of \$0.9 million was recognized in net income (loss) for the year ended 31 December 2021.
- (c) Aggregate financing costs associated with the Senior Credit Facility of \$3.4 million were allocated to the three components of the Senior Credit Facility based on the relative fair value of each component. The costs associated with the loan portion of \$35.0 million form part of the amortized costs of the loan used to determine the effective interest rate of 20.9%. The proportionate financing costs of \$0.5 million associated with the initial valuation of the derivative liabilities of the LIBOR floor and the Lender Warrants were expensed on the inception date of the debt.

During the year ended 31 December 2021, COPL America paid interest on this loan in the amount of \$4.6 million.

As at 31 December 2021, COPL America was in default on the Senior Credit Facility with respect to the following:

- failure to meet a liquidity covenant at as 30 November 2021 and 28 February 2022 due mainly to an uncollected joint interest receivable from Cuda that is in receivership; and
- failure to notify the Lender of material events involving Cuda.

Due to these defaults, the Company classified the Senior Credit Facility as a current liability.

Subsequent to 31 December 2021, COPL America received the Waivers from the Lender with respect to the above-noted defaults subject to the following conditions:

- COPL America shall provide an approved plan of development acceptable to the Lender by 15 April 2022 that relates to spending from 31 March 2022 to 30 June 2022 and by 30 June 2022 that relates to spending from 31 March 2022 to 31 December 2022, which have both been satisfied;
- COPL America shall pay at the earliest of: (i) the date the Senior Credit Facility is paid in full; (ii) the occurrence of an event of default other than specified above; or (iii) 30 June 2022, a fee equal to 1.5% of the \$45.0 million principal amount of the Senior Credit Facility plus \$0.5 million, which has been satisfied; and
- COPL America shall issue to the Lender new Lender Warrants that in aggregate are exercisable for 6% of the common shares in COPL America in cancellation of the existing Warrants that in aggregate are exercisable for 5% of the common shares in COPL America, which has been satisfied.

Due to the Waivers, the Company has become subject to the terms of the original senior credit facility dated 16 March 2021.

#### 5.10 *Subscription Receipts Liability*

Proceeds from the December 2020 Placing in the amount of £3.9 million (\$5.3 million) are recognized as subscription receipts liability in current liabilities as at 31 December 2020. In addition, the subscription receipts liability balance as at 31 December 2020 includes the Company's obligation to issue units to the CEO of the Company at a value of £115,000 (\$157,000) further to the CEO Loan conversion and to issue units to Company's directors, further to Directors' participation in the non-brokered placing in the amount of \$46,000.

#### 5.11 *Short-Term Loan – Paycheck Protection Program Note*

Further to the Atomic Acquisition, the Company assumed a loan entered into by SWP. On 14 April 2020, SWP had entered into the PPP Note in the amount of \$0.3 million. The Paycheck Protection Program was established under the CARES Act and is administered by the SBA. The annual interest rate on the PPP Note is 0.98%. Monthly principal and interest payments were deferred for a period of nine months after the date of the loan. If the loan is not forgiven, equal monthly payments of principal and interest commence one month after the deferral period and until the maturity on 13 April 2022.

Under the terms of the CARES Act, PPP Note recipients could apply for and be granted forgiveness for all or a portion of the loan granted under the PPP Note. Under terms of the CARES Act, these funds were to be used for payroll and utility payments.

On 26 April 2021, SWP applied for forgiveness of the PPP Note and on 1 July 2021 the SBA approved the application. Accordingly, the Company recognized a gain on extinguishment of this loan of \$0.3 million for the year ended 31 December 2021.

#### 5.12 *Short-term loan – YARF*

On 15 June 2020, the Company entered into a loan agreement with YARF for an unsecured facility (the "**YARF Loan Agreement**") of £0.6 million (\$0.8 million) (the "**YARF Loan**"). Each drawdown was repayable in cash six months from its respective drawdown date. The total balance of the YARF Loan of £0.5 million (\$0.7 million) outstanding as at 31 December 2020 was repaid in accordance with the YARF Loan Agreement, which was £0.1 million (\$0.2 million) on 5 January 2021 and £0.4 million (\$0.5 million) on 5 February 2021.

Further to the Loan Agreement, on 2 July 2020, the Company issued, as additional compensation to the YARF Lenders, a total of 1,000,000 Common Share purchase warrants (the "**YARF Warrants**") exercisable within 24 months, at an exercise price of £0.39 (\$0.49) per YARF Warrant. These YARF Warrants were still outstanding as at 31 December 2021.

### 5.13 *Short-term loan - CEO*

On 14 February 2020, the Company entered into a Promissory Note (the “**Promissory Note**”) with the President and CEO of the Company, for a principal amount of C\$200,000, equivalent of US\$153,000 as at the date thereof. The Promissory Note was repayable by the Company on maturity and bore interest in Canadian dollars at a rate of 10% per annum. No payments of interest or principal amount were required by the Company prior to maturity although the Company could elect to prepay a portion or all of the outstanding principal amount of the Promissory Note prior to that date. The Promissory Note was secured by the Company by way of the General Security Agreement over its present and after acquired personal property and was to be guaranteed by the Company’s subsidiaries.

### 5.14 *Derivative Liabilities*

The derivative liabilities of \$3.6 million as at 31 December 2021 related to the YARF Warrants and the Lender Warrants and the LIBOR Floor related to the Senior Credit Facility.

### 5.15 *Commodity Derivative Liabilities*

The commodity derivative liability of \$3.0 million as at 31 December 2021 relates to the placement of commodity risk management contracts in respect of crude oil production and butane used for the miscible flood injection program. These commodity derivative contracts were put in place on the closing of the Atomic Acquisition to satisfy conditions attached to the Senior Credit Facility.

### 5.16 *Asset Retirement Obligations (ARO)*

As at 31 December 2021, the Company recognized an ARO of \$8.2 million for the future abandonment and reclamation of its net ownership interests in oil and gas assets, including well sites and processing facilities that were acquired in the Atomic Acquisition. The estimated ARO includes cost assumptions to abandon wells or reclaim the property, the time frame in which such costs will be incurred as well as annual inflation factors used to calculate the undiscounted total future liability estimated to be \$15.7 million as at 31 December 2021. The majority of these obligations are anticipated to be incurred 25 to 50 years in the future. As at 31 December 2021, the ARO was calculated using a discount factor of 1.94% being the risk-free rate based on the US long-term bonds and an inflation rate of 2.0% per annum. Abandonment spending estimates are derived from both third-party cost indications and operational knowledge of the properties.

### 5.17 *Share Capital*

#### *2 July 2020 Placing*

On 2 July 2020, further to the June 2020 Prospectus, the Company closed a non-brokered placing in the UK of 4,000,000 Common Shares at a placing price of £0.30 (\$0.37) per Common Share for aggregate gross proceeds of £1.2 million (\$1.5 million).

The Company paid in cash a finder’s fee of £70,000 (\$87,300) and other fees of £3,500 (\$4,400). In addition, on 15 July 2020, the Company issued 160,000 Common Shares in lieu of a cash payment of a second finder’s fee of £48,000 (\$60,000) at a deemed price of £0.3 (\$0.38) per share, in respect of the 2 July 2020 Placing.

In connection with the 2 July 2020 Placing and Subsequent July 2020 Placing, as a compensation to the finders, the Company issued also:

- on 2 July 2020 - 250,000 common share purchase warrants (the “**1st Finder’s Warrants**”) exercisable before 2 July 2022, at an exercise price of £0.39 (\$0.49) per share; and
- on 24 July 2020 - 160,000 common share purchase warrants (the “**2nd Finder’s Warrants**”) exercisable before 2 July 2022, at an exercise price of £0.39 (\$0.50) per share – in respect of the 2 July 2020 Placing.

The 1st Finder’s Warrants and 2nd Finder’s Warrants expired on 2 July 2022.

The fair value estimated at approximately \$40,000 for the 1st Finder’s Warrants and \$42,000 for the 2nd Finder’s Warrants (using a Black-Scholes option pricing model) was recognized as equity and netted against proceeds from the 2 July 2020 Placing (as share issue costs).

Also on 2 July 2020, further to the Loan Agreement and as per the June 2020 Prospectus, the Company issued to YARF lenders a total of 385,000 Common Shares in lieu of cash payments of £115,500 (\$144,000) at a deemed price of £0.30 (\$0.37) per share, in respect of repayment of a portion of the first drawdown of the YARF Loan of £36,000 (\$45,000) - 120,000 Common Shares and interest on the YARF Loan of £79,500 (\$99,000) - 265,000 Common Shares.

In addition, the Company issued, as compensation to YARF lenders, a total of 1,000,000 YARF Warrants exercisable before 2 July 2022, at an exercise price of £0.39 (\$0.49) per share (the YARF Loan and YARF Warrants are discussed in “Short-term loan – YARF” section above). The YARF Warrants expired on 2 July 2022.

### ***Subsequent July 2020 Placing***

On 23 July 2020, the Company closed another non-brokered placing in the UK of 4,333,333 Common Shares at a placing price of £0.30 (\$0.38) per share, for gross proceeds of £1.3 million (\$1.7 million) (the “**Subsequent July 2020 Placing**”). The Company paid in cash a finder’s fee of £91,000 (\$116,000).

In connection with the Subsequent July 2020 Placing, on 24 July 2020, the Company issued, as compensation to the finder, 325,000 common share purchase warrants (the “**3rd Finder’s Warrants**”) exercisable within 12 months from 24 July 2020, at an exercise price of £0.39 (\$0.50) per share.

The fair value estimated at approximately \$63,000 for 3rd Finder’s Warrants (using a Black-Scholes option pricing model) was recognized as equity and netted against proceeds from the Subsequent July 2020 Placing (as share issue costs).

The net proceeds from the 2 July 2020 Placing and the Subsequent July 2020 Placing were used for the Company’s ongoing general and administrative costs and for payment of outstanding creditors that are not subject to the debt exchange arrangements stipulated in the June 2020 Prospectus.

### ***Initial Atomic Placing***

During the first quarter of 2021, further to the Initial Atomic Placing, the Company issued a total of 44,425,000 units at a price of £0.20 (\$0.27) per unit for gross proceeds of £8.9 million (\$12.1 million). Each unit consisted of one Common Share and one half of one Common Share purchase warrant (the “**Unit Warrants**”). Each Unit Warrant entitled the holder thereof to purchase one Common Share at an exercise price of £0.26 (\$0.35) per share on or before 8 January 2022.

The 44,425,000 Common Shares related to the Initial Atomic Placing were issued between 8 January 2021 and 12 March 2021.

In addition, on 11 January 2021, 575,000 units with a value of £0.12 million (\$0.16 million) at a deemed price of £0.20 (\$0.27) per unit were issued to the Company’s CEO further to the extinguishment of the CEO Loan agreed to be on same terms as the Initial Atomic Placing, further to a placing agreement signed with the CEO on 23 December 2020.

The fair value of the 22,500,000 Unit Warrants estimated at \$2.1 million, using a Black-Scholes option pricing model, was netted against proceeds from share capital and a derivative liability of \$2.1 million was recognized as at 8 January 2021, which was the legal issue date of the Unit Warrants. The exercise price of the Unit Warrants is denominated in GBP, and the Company’s functional currency is US\$. Accordingly, due to the variability in these exchange rates, the Unit Warrants are classified as a derivative financial instrument.

The derivative liability of the Unit Warrants outstanding, net of 15,300,000 Unit Warrants that were exercised, as discussed below was revalued as at 31 December 2021 and a related derivative loss of \$2.6 million was recognized.

In connection with the Initial Atomic Placing, the Company paid and issued:

- to a first finder a cash finder’s fee of £35,000 (\$47,500) and issued 187,500 Common Share purchase warrants (the “**2021 1st Finder’s Warrants**”) as additional compensation to the finder; and
- to a second finder on 9 March 2021 the Company issued 2,850,417 Common Shares as a payment for a finder’s fee, representing a 7% commission in respect of placings arranged by the second finder. Accordingly, the Company recognized £1.0 million (\$1.3 million), being the fair value of these shares as

at the issue date, as an addition to the share capital and an addition to share issue costs related to the Initial Atomic Placing. In addition, the Company issued 3,054,018 Common Share purchase warrants (the “**2021 2nd Finder’s Warrants**”) as additional compensation for the finder.

Each 2021 1st Finder’s Warrant and 2021 2nd Finder’s Warrant entitled the holder thereof to purchase one Common Share at an exercise price of £0.26 (\$0.35) per Common Share on or before 8 January 2022. The fair value of the finder’s warrants, estimated using a Black-Scholes option pricing model, was \$18,000 for the 2021 1st Finder’s Warrants and \$0.3 million for the 2021 2nd Finder’s Warrants and were recognized in equity as warrants and netted against proceeds from the Initial Atomic Placing as share issue costs.

Proceeds from the Initial Atomic Placing that were received in December 2020, in advance of the actual issue of respective units in January 2021 in the amount of £3.9 million (\$5.5 million), were recognized as a subscription receipts liability in current liabilities as at 31 December 2020.

The net proceeds from the Initial Atomic Placing were used to make the initial, partial payments of the Atomic Purchase Price as well as to cover the Company’s ongoing general and administrative costs.

Further to an exercise of Unit Warrants, the Company received \$5.5 million and issued 15,300,000 Common Shares between 9 March 2021 and 25 August 2021.

The fair value of the exercised Unit Warrants, estimated at \$4.6 million in total, was recognized as an addition to the share capital and respective decrease in the derivative liability.

### ***March 2021 Placing***

On 11 March 2021, further to the March 2021 Placing, the Company issued a total of 41,715,625 Common Shares at a price of £0.32 (\$0.45) per share for gross proceeds of £13.3 million (\$18.7 million).

In connection with the March 2021 Placing, the Company issued 2,034,375 Common Shares as a partial payment of a broker’s fee and paid in cash a remaining broker’s fee of £0.2 million (\$0.3 million), representing commission of approximately 6% in respect of the March 2021 Placing. The Company recognized £0.7 million (\$1.0 million), being the fair value of these broker’s shares as at the issue date, as an addition to the share capital and an addition to share issue costs related to the March 2021 Placing.

The Company also issued 2,625,000 Common Share purchase warrants to the broker as additional compensation. Each broker warrant entitles the holder thereof to purchase one Common Share of the Company at an exercise price of £0.32 (\$0.44) per Common Share on or before 8 March 2023.

The fair value of the broker warrants, estimated at \$0.6 million, was recognized in equity as warrants and netted against proceeds from the March 2021 Placing as share issue costs. The Company used the net proceeds from the March 2021 Placing to finance operating and capital expenditures of the Atomic Group and to cover the Company’s ongoing general and administrative costs.

### ***Atomic Acquisition and Senior Credit Facility***

On 16 March 2021, as the Common Share consideration component of the Atomic Acquisition, the Company issued 8,188,733 Common Shares to James W. Williams, Jr.

Under the Lender Warrant Agreement, the Lender was granted 5 Lender Warrants representing 5% of the common shares of COPL America for \$0.01 per common share. On maturity or 60 days after repayment of the loan facility, the Lender would be entitled to redeem such warrants for an amount of cash equal to the greater of approximately 5% of the Company’s market capitalization or 5% of the net asset value of COPL America at such time.

Pursuant to the terms of the Waivers, the Group issued to the Lender new Lender Warrants that in aggregate are exercisable for 6% of the common shares of COPL America in cancellation of the existing Lender Warrants.

### ***Common Shares issued as payment for services***

On 30 June 2021, the Company issued 250,000 Common Shares as a payment for financial advisory services, with a fair value of \$0.2 million.

### ***December 2021 Placing***

On 3 December 2021, further to the December 2021 Placing, the Company issued a total of 28,435,000 Common Shares at a price of £0.20 (\$0.26) per share for gross proceeds of £5.7 million (\$7.5 million).

In connection with the December 2021 Placing, the Company issued 1,815,000 Common Shares as a payment of a broker's fee, representing commission of approximately 6% in respect of the December 2021 Placing. The Company recognized £0.4 million (\$0.5 million), being the fair value of these broker's shares as at the issue date, as an addition to the share capital and an addition to share issue costs related to the December 2021 Placing.

The Company also issued 1,815,000 Common Share purchase warrants to the broker as additional compensation. Each broker warrant entitled the holder thereof to purchase one Common Share of the Company at an exercise price of £0.24 (\$0.32) per Common Share on or before 3 December 2022.

The fair value of the broker warrants estimated at \$0.1 million, was recognized in equity as warrants and netted against proceeds from the December 2021 Placing as share issue costs.

The Company used the net proceeds from the December 2021 Placing to finance operating and capital expenditures of the Atomic Group and to cover the Company's ongoing general and administrative costs.

### ***April 2022 Placing***

On 22 April 2022, the Company completed a placement of 49,930,000 units of the Company at a price of £0.20 (\$0.26) per unit for gross proceeds of £10.0 million (\$12.8 million). Each unit comprises of one Common Share and one half of one common share purchase warrant, each exercisable at £0.24 (\$0.31) per Common Share until 22 October 2022. The Company paid to the brokers a cash commission of 4.0% of the gross proceeds and granted 1,997,200 broker warrants, exercisable at £0.25 (\$0.32) per Common Share until 22 April 2024.

### ***July 2022 Placing***

On 26 July 2022, the Company completed the issue of 54,792,590 warrants and the issue of 2024 Bonds with a principal amount of \$12.6 million maturing in 2024 and 2025 Bonds with a principal amount of \$12.6 million maturing in 2025. The Bonds were issued at an issue price of 78% of principal amount.

The warrants entitle the holder thereof to acquire a Common Share at £0.1675 per Common Share until 30 months from the date of issuance of the warrants.

In connection with the issue of Bonds, the Company paid a brokers' fee of approximately 5,895,000 Common Shares. In addition, the Company also issued 5,895,000 common share purchase warrants to the brokers as additional compensation; each broker warrant entitling the holder thereof to purchase one Common Share at an exercise price of £0.1675 (\$0.2001) per Common Share on or before 24 October 2022.

See Section 9 (Bonds) of Part XIII for more information.

### ***Winter Bond Financing***

On 30 December 2022, the Company issued to Anavio 20 additional 2025 Bonds with a principal face value amount of \$4 million at a 20% discount to the principal face value of the 2025 Bonds for proceeds of approximately \$3.2 million. The Company is in active negotiations and intends to issue additional 2025 Bonds and warrants pursuant to a second tranche of the Winter Bond Financing, which is expected to close in February 2023.

The additional 2025 Bonds issued pursuant to the Winter Bond Financing shall be consolidated and form a single series with the 2025 Bonds issued pursuant to the July 2022 Placing.

See Section 9 (Bonds) of Part XIII for more information



### ***Debt Exchange***

During third quarter of 2020 and further to debt exchange arrangements stipulated in the June 2020 Prospectus that closed on 2 July 2020, the Company issued to its certain vendors and employees in total 4,369,175 Common Shares in lieu of cash payments of approximately £1.3 million (\$1.8 million) at a deemed price of £0.30 (\$0.37) per share (as stipulated in the June 2020 Prospectus and individual agreements), in respect of outstanding balances due to these vendors and employees.

The fair value of Common Shares issued to vendors is determined by reference to the value of the services received at the date the services were rendered. The fair value of Common Shares issued to employees is determined using the closing market price of the Company's stock on the day of the issue. In case the Company's stock price exceeded the deemed price of £0.30 (\$0.37) as at the date of share issue, the difference between fair value of shares issued to the employees and the value of outstanding balance due to these employees is recognized as stock-based compensation expense, together with a corresponding increase in equity (share capital).

Debt Exchange shares were issued as follows:

- On 15 July 2020, the Company issued 2,106,668 Common Shares to its vendors, in lieu of cash payments of approximately £632,000 (\$796,000) and 418,455 Common Shares to an employee, in lieu of a cash payment of approximately £126,000 (\$156,000). In addition, the related stock-based compensation expense of \$24,000 was recognized in the statement of comprehensive loss for the year ended 31 December 2020 and as an addition to share capital.
- On 4 August 2020, the Company issued 611,250 Common Shares to its vendors, in lieu of cash payments of approximately £183,000 (\$239,000) and 325,832 Common Shares to its employees, in lieu of cash payments of approximately £98,000 (\$128,000). In addition, the related stock-based compensation expense of \$83,000 was recognized in the statement of comprehensive loss for the year ended 31 December 2020 and as an addition to share capital.
- On 18 September 2020, the Company issued to its employees a total of 600,573 Common Shares in lieu of cash payments of approximately £180,000 (\$230,000). No stock-based compensation expense was recognized as the Company's stock price as at the date of issue was below the deemed conversion price of £0.30.
- On 29 September 2020, the Company issued to its vendors a total of 306,397 Common Shares in lieu of cash payments of approximately £92,000 (\$115,000).

### ***Warrants Exercised***

On 8 July 2020, further to an exercise of broker warrants issued in 2019, the Company issued 99,700 Common Shares at an exercise price of £0.15 (\$0.19) per Common Share for proceeds of approximately £15,000 (\$19,000).

On 17 August 2020, further to an exercise of broker warrants issued in 2018, the Company issued 537,313 Common Shares at an exercise price of £0.335 (\$0.43) per Common Share for proceeds of approximately £0.18 million (\$0.24 million).

Between 9 March 2021 and 25 August 2021, further to an exercise of Unit Warrants, the Company issued 15,300,000 Common Shares for proceeds of approximately £4.4 million (\$5.5 million).

On 23 July 2021, further to an exercise of a portion of the 2020 3rd Finder's Warrants, the Company issued 208,333 Common Shares for proceeds of approximately £0.08 million (\$0.11 million).

### ***Stock Option Granted***

The Company has a stock option plan where the number of Common Shares reserved under the plan shall not exceed 10% of the issued and outstanding Common Shares and the number reserved for any one individual may not exceed 5% of the issued and outstanding shares. Exercise prices for stock options granted are determined by the closing market price on the day before the date of grant.

On 14 September 2020, the Company granted to its directors, officers and employees 3,416,092 stock options to acquire the Common Shares at an exercise price of £0.35 (\$0.45) per share. The stock options vested immediately and expire five years from the date of grant. The related stock-based compensation expense of \$0.87 million (estimated using a Black-Scholes option pricing model) was recognized in the statement of comprehensive loss for the year ended 31 December 2020 and as addition to contributed capital reserve.

There were no changes to the Company's stock option plan and no stock options were granted, exercised, and/or forfeited, and 474,400 stock options expired during the year ended 31 December 2021.

As at 31 December 2021, a total of 4,015,739 stock options to purchase Common Shares were outstanding, having a weighted average exercise price of \$0.56 per Common Share and a remaining weighted average contractual life of 3.3 years.

On 29 January 2022, the Company granted to its directors, officers and employees 15,430,000 stock options to acquire the Common Shares at an exercise price of \$0.42 (CAD\$0.54) per Common Share, with 13,380,000 stock options vesting immediately and 2,050,000 vesting after the first anniversary of the date of grant with all stock options expiring five years from the date of grant. In addition, 309,095 stock options that were exercisable as at 31 December 2021 were forfeited on 2 March 2022.

#### ***Securities outstanding as at 31 December 2021***

The Company is authorized to issue an unlimited number of common and preferred shares.

As at 31 December 2021, the Company had the following issued and outstanding securities:

- 194,519,464 Common Shares;
- 16,291,518 common share purchase warrants issued and outstanding to purchase Common Shares with a weighted average exercise price of \$0.38 per Common Share; and
- 4,015,739 stock options issued and outstanding to purchase Common Shares with a weighted average exercise price of \$0.56 per Common Share and a remaining weighted average contractual life of 3.3 years.

#### **5.18 *Shareholders' Equity***

The shareholders' equity increased from a \$0.6 million deficit as at 31 December 2020 to \$35.0 million equity as at 31 December 2021. This increase of \$35.6 million resulted primarily from the following:

- Common Shares issued pursuant to a non-brokered placing for gross proceeds of £8.9 million (\$12.1 million), a brokered placing in March 2021 in the UK for gross proceeds of £13.3 million (\$18.7 million) and a brokered placing in the UK in December 2021 for gross proceeds £5.7 million (\$7.5 million) for aggregate net proceeds of \$32.8 million;
- Common Shares issued as partial payment of the Atomic Purchase Price of \$4.0 million;
- Common Shares issued on the exercise of unit warrants of \$5.5 million;
- increase in warrants in the amount of \$1.0 million, representing the fair value of finders and brokers warrants issued; and
- increase in the deficit as a result of a comprehensive loss of \$13.5 million incurred for the year ended 31 December 2021.

The shareholders' deficit decreased from \$1.0 million as at 31 December 2019 to \$0.6 million as at 31 December 2020. This decrease of \$0.4 million resulted mainly from an increase in share capital of \$4.6 million and an increase in contributed capital reserve of \$0.9 million compensated by a comprehensive loss incurred for the year ended 31 December 2020 of \$5.1 million.

## **6. DISCLOSURE ABOUT MARKET RISK**

### **6.1 *Financial risk management and financial instruments***

As at 31 December 2021, the Company's financial instruments include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, financial derivative contracts and the Senior Credit Facility. The carrying values of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these financial instruments. The carrying value of the financial derivative contracts are at fair value through profit and loss and the Senior Credit Facility is at amortized cost which approximates fair value.

The Company's senior management oversees the management of financial instruments and the Board has established an Audit Committee to assist in the identification and evaluation of significant financial risks.

### **6.2 *Commodity price risk***

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result in changes in commodity prices. Commodity prices for oil and gas are impacted by world economic events that dictate the levels of supply and demand. As a means of mitigating exposure to commodity price risk volatility, the Company may enter into various derivative agreements. The Company's policy is to not use derivative financial instruments for speculative purposes.

Effective 15 March 2021, in anticipation of the closing of the Atomic Acquisition and satisfying conditions attached to the Senior Credit Facility, the Company entered into a master risk management agreement with a third-party institution.

### **6.3 *Foreign currency risk***

To mitigate a portion of its exposure to foreign exchange risk and to the extent it is feasible, the Company keeps its funds in currencies applicable to its known short-term commitments. No assurance can be given that such management of risk exposure will offset and/or eliminate the foreign exchange loss/gain fluctuations.

### **6.4 *Credit risk***

Credit risk is the risk that the counterparty to a financial asset will default, resulting in the Company incurring a financial loss. A substantial portion of the Company's accounts receivable are with the purchaser of the Company's oil and the joint interest owners in the Atomic Assets and are subject to normal industry credit risks. As at 31 December 2021, the Company's cash was held at four financial institutions with high third-party credit ratings.

The maximum credit risk exposure associated with accounts receivable is the total carrying value. The Company monitors these balances to limit the risk associated with collection. The Company's revenue receivable of \$0.4 million as at 31 December 2021, was owing from one company and the share issuance receivable of \$0.5 million were collected in January 2022. Of the Company's joint interest receivables from partners as at 31 December 2021, approximately 98% was owing from two partners. While the Company has been regularly collecting from one partner, the second partner, Cuda which represents about 79% of the balance, has been settled in the Cuda Acquisition. As such, the Company considers all of its accounts receivable as at 31 December 2021 to be collectable.

As at 31 December 2021, the Company held \$7.8 million of cash and cash equivalents with Canadian, US and Bermuda chartered banks and compared to \$1.4 as at 31 December 2020 and \$0.1 million as at 31 December 2019. Management has assessed the associated credit risk as relatively low.

### **6.5 *Interest rate risk***

The Company's policy is to keep its cash, whenever possible, in interest bearing accounts with its financial institutions. The Company periodically monitors the interest rates offered and is satisfied with the credit ratings of its banks.

The Senior Credit Facility provides for an interest rate of LIBOR, with a floor of 2.0% plus 10.5% per annum. As at 31 December 2021, the Company did not believe there was a material interest rate risk associated with this facility as the LIBOR forward curve for 2022 was below the floor of 2.0% and it varies between 2.1% and 2.6% for the remaining periods until maturity of the facility in March 2025.

## 7. OFF-BALANCE SHEET ARRANGEMENTS

The Bonds are currently unsecured. However, upon security interests being granted in relation to a RBL, the Company is obliged to ensure that it and its subsidiaries grant the Bondholders a customary second ranking “security and guarantee package” covering the same security collateral as was provided in relation to a RBL. Moreover, while the Bonds are outstanding, the Company may not grant any security for financial indebtedness or financial indebtedness guarantees without (at the same time or before) granting a pari passu equivalent security package to the relevant Bondholders.

Other the security provided for the CEO Loan by way of a General Security Agreement, which was extinguished on settlement of the CEO Loan in January 2021, the Company has not entered into and/or is a party to any off-balance sheet arrangements.

## 8. CRITICAL ACCOUNTING POLICIES

The Directors have identified the following IFRS accounting policies as currently the most critical to the Company’s business operations and the understanding of its results. Application of these policies requires management to make assumptions and use judgment based on information and financial data available that may change in the future. Different assumptions and judgments could lead to materially different results.

AI, 18.1.3

### 8.1 *Basis of Preparation and Compliance*

The Company’s consolidated financial statements (“**financial statements**”) for the years ended 31 December 2021, 2020 and 2019 have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”).

AI, 18.1.3

The Company’s consolidated financial statements have been prepared on an historical cost basis, except for certain financial assets and liabilities that have been measured at fair value.

On 1 October 2021, the Company completed the Share Consolidation. In accordance with the Share Consolidation, all Common Shares and per-share amounts disclosed herein reflect the post-Share Consolidation shares unless otherwise specified.

Subsequent to year end 2020, the Company has raised sufficient funds through equity and debt to fund the 31 December 2020 working capital deficit of \$5.7 million, complete the acquisition of Atomic and to provide funding for expected cash needs for at least the next twelve months.

As at year end 2021 and 2019, the Company did not have sufficient funding to cover its working capital requirements for next twelve months. Accordingly, the Company’s audited consolidated financial statements for 2019 and 2021 included the below disclosure in respect of going concern.

The consolidated financial statements are presented in USD, which is both the functional and presentation currency. All financial information presented in tables has been rounded to the nearest thousand United States dollars except where otherwise indicated.

### 8.2 *Going Concern disclosure in 2021 financial statements*

The Company’s financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

In 2021, the Company did not have adequate financing to develop its operations and the Company was pursuing exploration projects and contracts that would require substantial additional financing before they would be able to generate positive operating cash flows. Furthermore, as at 31 December 2021, the Company was in default on the Senior Credit Facility for: (i) failure to meet a liquidity covenant due mainly to an uncollected joint interest receivable from a partner that is in receivership; and (ii) failure to notify the Lender of material events involving the joint interest partner in receivership. Subsequent to 31 December 2021, the Company received the Waivers from the Lender with respect to the defaults and accordingly has become subject to the terms of the Senior Credit Facility Agreement. There was no assurance that the Company would be able to obtain adequate financing in the future or that such financing would be obtained on terms acceptable to the Company. The Company did not have sufficient working capital and cash flows to cover forecasted operating and capital expenditures for the next 12 months. With no assurance that additional financing would be obtained, there was material uncertainty that cast significant doubt on the Company's ability to continue as a going concern. The Company's financial statements did not give effect to adjustments that would be necessary to the carrying values and classifications of assets and liabilities should the Company be unable to continue as a going concern.

### **8.3 *Going Concern disclosure in 2019 financial statements***

The Company's financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

In 2019, the Company did not have sufficient working capital, cash inflows and/or adequate financing to continue its operations. The Company was pursuing exploration projects and contracts that would require substantial additional financing before they would be able to generate positive operating cash flows. Accordingly, the Company's continued successful operations was dependent on its ability to obtain additional financing. There was no assurance that the Company would be able to obtain adequate financing in the future or that such financing would be obtained on terms advantageous to the Company. The Company did not have sufficient working capital and cash flows to cover forecasted administrative expenses for next 12 months and existing accounts payable. With no assurance that financing would be obtained, there was material uncertainty that could cast significant doubt on the Company's ability to continue as a going concern. The Company's financial statements did not give effect to adjustments that would be necessary to the carrying values and classifications of assets and liabilities should the Company be unable to continue as a going concern.

### **8.4 *Basis of consolidation***

The consolidated financial statements include the financial statements of the Company and its subsidiaries. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. All intercompany transactions and balances have been eliminated on consolidation. The joint venture investment is not subject to consolidation and uses the equity method of accounting.

### **8.5 *Foreign Currency Translation***

The consolidated financial statements are presented in USD, which is currently the Company's functional and reporting currency.

Transactions denominated in foreign currencies are translated at the exchange rate prevailing on the transaction date. At each period end, monetary assets and liabilities denominated in a foreign currency are translated at the exchange rate prevailing at the period end date. All differences are recognized in net earnings. Non-monetary assets, liabilities and transactions denominated in a foreign currency and measured at historical cost are translated at the exchange rate in effect at the transaction date. Non-monetary items measured at fair value are translated using the exchange rates at the date when the fair value was determined.

For the purpose of consolidation, assets and liabilities of foreign subsidiaries are translated from their functional currency to USD using the exchange rate prevailing at the period end date. The statements of comprehensive loss and cash flows are translated using the average exchange rates for the period. Foreign exchange differences resulting from such transactions are recorded in Shareholders' Equity as accumulated other comprehensive loss.

## 8.6 ***Revenue recognition***

Revenue associated with the sale of crude oil is measured based on the consideration specified in contracts with customers. Revenue from contracts with customers is recognized when or as the Company satisfies a performance obligation by transferring a promised good or service to a customer. A good or service is transferred when the customer obtains control of that good or service. The transfer of control of oil usually coincides with title passing to the customer and the customer taking physical possession. The Company principally satisfies its performance obligations at that point in time. Petroleum sales revenue recognized is net of royalties as the Company is acting as an agent and represents the net revenue attributable to the Company and its joint operation partners.

The Company receives payment for its produced oil from the purchaser generally within one month. The Company does not have any contracts where the period between the transfer of control of the commodity to the customer and payment by the customer exceeds one year. As a result, the Company does not adjust its revenue transactions for the time value of money or to reflect a significant financing component in connection with contracts with customers. Items such as royalties are netted against revenue. These items are netted to reflect the deduction for other parties' proportionate share of the revenue for which the Company is acting as an agent in collecting and disbursing proceeds on behalf of the royalty owners.

## 8.7 ***Business combinations***

Business combinations are accounted for using the acquisition method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the acquisition date. The excess of the cost of the acquisition over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recorded as goodwill. If the cost of the acquisition is less than the fair value of the net assets acquired, the difference is recognized immediately in earnings. Transaction costs associated with a business combination are expensed as incurred.

## 8.8 ***Oil inventory***

Crude oil produced but not sold as at the balance sheet date is recognized as oil inventory in other current assets. The Company values its oil inventory using the lower of cost and net realizable value method.

## 8.9 ***Finance costs***

Net financing costs include interest expense on borrowings, interest on lease liabilities, financing costs, accretion of interest on the senior credit facility and accretion of the discount on asset retirement obligations.

Borrowing costs incurred for the acquisition, construction or production of qualifying assets, are capitalized to the cost of those assets during the substantial period of time (greater than one year) to get the underlying assets ready for their intended use, until such time as these assets are substantially ready for their intended use. The capitalization rate, used to determine the amount of borrowing costs to be capitalized, is dependent on whether general borrowings (weighted average interest rate) or specific borrowings (specified rate) were used during the period. All other borrowing costs are charged to net income (loss) using the effective interest method.

Interest income is recognized as earned.

## 8.10 ***Pre-License costs***

The Company expenses amounts incurred in the evaluation and development of potential business ventures until the related business arrangements are consummated. The costs incurred prior to the award or the acquisition of oil and gas assets, licenses, concessions and other exploration rights are recognised as an expense in the period incurred.

## 8.11 ***Exploration and evaluation assets***

The Company accounts for E&E costs in accordance with IFRS 6 "Exploration for and Evaluation of Mineral Resources". E&E costs related to each prospect are initially capitalized within E&E assets. Such E&E assets may include costs of acquiring leases, technical services and studies, seismic acquisition, exploratory drilling and testing, directly attributable overhead and administrative expenses, including remuneration of operation personnel and supervisory management and the projected costs of retiring the assets, if any, but do not include general prospecting or evaluation costs incurred prior to having obtained the legal rights to explore an area of

mutual interest, which are expensed as pre-license costs as incurred and recognized in net income (loss). E&E assets are subject to ongoing management review to confirm the intent to establish technical feasibility and commercial viability of a discovery. This assessment includes many changing factors, including project economics, expected capital expenditures and production costs, access to infrastructure, obtaining and the timing of receiving required regulatory approvals, and potential infrastructure expansions.

E&E assets remain capitalized until technical feasibility and commercial viability of extracting oil and gas is determinable. The technical feasibility and commercial viability of exploration assets are dependent upon the assignment of a sufficient amount of economically recoverable reserves relative to the estimated potential resources available, available infrastructure to support commercial development, as well as obtaining necessary internal and external approvals. At least annually, a review of each prospect is carried out to ascertain whether proved or probable reserves have been discovered. E&E assets may have sales from petroleum products associated with production from test wells, and resulting revenue is recognized in net income (loss).

Upon determination of proved plus probable reserves and a full evaluation of the development plan in the exploration area has been completed, E&E assets attributable to those costs are first tested for impairment at the cash-generating unit ("CGU") level, and then reclassified from E&E assets to property and equipment. E&E costs related to prospects for which no proved or probable reserves exist, and lease expiries, are expensed. If a decision is made by management not to continue an E&E project, the E&E asset is derecognized, and all associated costs are charged to net income (loss).

E&E assets are not subject to depreciation and depletion.

#### 8.12 ***Property and equipment***

Property and equipment ("P&E") assets consists of developed and producing ("D&P") assets, administrative assets, equipment inventory and other assets.

D&P assets are measured at cost less accumulated depletion, depreciation, amortization and impairment. D&P assets are grouped into CGUs for impairment testing.

Expenditures for the construction, installation or completion of infrastructure facilities such as processing facilities, pipelines and the drilling of development wells, including unsuccessful development or delineation wells, are capitalized within D&P assets, as long as the facts and circumstances indicate that it is technically feasible and economically viable to extract identified reserves.

##### (i) *Initial costs*

The initial cost of an asset is comprised of the purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of asset retirement obligations, and capitalized borrowing costs for qualifying assets. The purchase price or constructed cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Capitalized oil and gas interests represent costs incurred to develop proved or probable reserves, or to enhance production from such reserves that extends their useful lives, and are accumulated on a field or geotechnical basis, unless such expenses are deemed operational in nature and are expensed as incurred.

Other items of P&E assets are carried at cost less accumulated depreciation and net of accumulated impairment.

##### (ii) *Subsequent costs*

Costs incurred subsequent to the determination of technical feasibility and commercial viability are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of a replaced asset is de-recognized when replaced, if material. The costs of day-to-day servicing are charged to net income (loss) during the period in which they are incurred.

##### (iii) *Asset exchanges and disposals*

Exchanges of assets are measured at fair value unless the exchange transaction lacks commercial substance or the fair value of neither the asset received, nor the asset given up is reliably measurable. The cost of the acquired asset is measured at the fair value of the asset given up, unless the fair value of the asset received is more clearly evident. Where fair value is not used, the cost of the acquired asset is measured at the carrying value of the asset given up. The gain or loss on de-recognition of the asset given up is recognized in net income (loss).

Gains and losses on the disposal of P&E assets, including oil and gas interests, are determined by comparing the proceeds from disposal with the carrying value of the P&E assets.

(iv) *Depletion, depreciation and amortization*

The net carrying value of D&P assets is depleted by CGU using the units-of-production method based on the ratio of production to the related proved plus probable reserves, taking into account estimated future development costs necessary to bring those reserves into production. Future development costs are estimated taking into account the level of development required to bring any related non-producing or undeveloped reserves into production, which may include the costs of drilling and completing wells. These estimates are reviewed at least annually by independent reserve engineers in conjunction with their evaluation of the Company's proved and probable reserves. Changes in estimates used in prior periods, such as proved plus probable reserves, that affect the unit-of-production calculations are dealt with on a prospective basis. Major development projects are not depleted, depreciated or amortized until production commences. Proved plus probable reserves are determined by independent engineers in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities ("NI 51-101") of the Canadian Securities Administrators.

For administrative and other assets, depreciation is recognized in net income (loss) on a straight-line basis over the estimated useful lives of each asset that range from 3 to 5 years. The depreciation methods, useful lives and residual values are reviewed at each reporting date.

8.13 ***Impairment of non-financial assets***

*Property and equipment*

The Company's P&E assets are grouped into CGUs for the purpose of assessing impairment. A CGU is a grouping of assets that generate cash inflows independently of other assets held by the Company. CGUs are reviewed at each reporting date for indicators of potential impairment and, in the case of previously impaired CGUs, reversal of impairment. If such indicators exist, an impairment test is performed by comparing the CGU's carrying value to its recoverable amount, defined as the greater of a CGU's fair value less costs of disposal and its value in use. Any excess of carrying value over the recoverable amount is recognized in net income (loss) as an impairment charge. If there is an indicator that a previously recognized impairment charge may no longer exist or may have decreased, the recoverable amount of the relevant CGU is calculated and compared against the carrying amount. An impairment charge is reversed to the extent that the asset's recoverable amount does not exceed the carrying amount that would have been determined, net of accumulated depreciation, depletion and amortization, if no impairment charge had been recognized. A reversal of the impairment of P&E assets is recognized in net income (loss).

*Exploration and evaluation assets*

E&E assets are assessed for impairment at the CGU level and are reviewed at each reporting date for indicators of potential impairment, or in the case of previously impaired E&E assets, reversal of impairment. An impairment charge on E&E assets is recognized if the carrying value of the E&E assets exceeds the recoverable amount. Impairment of E&E assets is recognized in net income (loss) as an impairment charge. If there is an indicator that a previously recognized impairment charge may no longer exist or may have decreased, the recoverable amount of the relevant E&E asset is calculated and compared against the carrying amount. A



reversal of impairment of E&E assets is recognized in net income (loss).

8.14 ***Provisions***

The ARO includes present obligations where the Company will be required to dismantle, decommission and perform site restoration activities. The ARO is measured at the present value of management's best estimate of expenditures required to settle the present obligation using a relevant risk-free rate at each reporting date. Subsequent to the initial measurement, the obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows or discount rate underlying the obligation. The provision is accreted over time through charges to finance costs. Changes in the future cash flow estimates resulting from revisions to the estimated timing, amount of undiscounted cash flows or the discount rate are recognized as changes in the ARO and related asset. Actual costs incurred upon settlement of the ARO are charged against the provision to the extent the provision was established.

A provision is recorded for the estimated cost of site restoration and capitalized in the relevant asset category. The capitalized amount is depleted, depreciated and amortized on the units-of-production method based on proved plus probable reserves.

8.15 ***Offsetting of financial instruments***

Financial assets and financial liabilities are offset, and the net amount reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

8.16 ***Derivative financial instruments***

The Company is exposed to commodity price risks resulting from fluctuations in commodity prices in the normal course of its business. The Company may use a variety of instruments to manage this risk and has elected to not apply hedge accounting. Therefore, the Company accounts for such instruments using the fair value method by initially recording an asset or liability and recognizing changes in the fair value of the instruments in net income (loss) as unrealized gains (losses) on risk management contracts. Fair values of financial instruments are based on quotes or valuations provided by independent third parties. Any realized gains or losses on risk management contracts are recognized in net income (loss) in the period they occur. The Company's risk management contracts have been assessed on the fair value hierarchy and are all considered Level 2. Commodity derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

8.17 ***Joint Arrangements***

Certain of the Company's activities are conducted through joint arrangements in which two or more parties have joint control. A joint arrangement is classified as either a joint operation or a joint venture, depending on the rights and obligations of the parties to the arrangement.

Joint operations arise when the Company has a direct ownership interest in jointly controlled assets and obligations for liabilities. The consolidated financial statements include the Company's proportionate share of the assets, liabilities, revenues, expenses, and cash flows of this type of arrangement.

Joint ventures arise when the Company has rights to the net assets of the arrangement. For these arrangements the Company uses the equity method of accounting and recognizes initial and subsequent investments at cost, adjusting for the Company's share of the joint venture's income or loss, less dividends received thereafter. The transactions between the Company and the joint venture are assessed for recognition in accordance with IFRS.

Under the equity method, losses from the joint venture are applied against the carrying amount of the investment and any loans to the associate that are considered part of the net investment. When the Company's share of losses in a jointly controlled entity exceeds the Company's interest, the Company discontinues recognizing its share of future losses. The Company does not recognize further losses unless a legal or constructive obligation exists. If the joint venture subsequently reports profits, the entity resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized. Revenue is only recorded when collection is reasonably assured.

Investments in joint ventures are tested for impairment whenever objective evidence indicates that the carrying amount of the investment may not be recoverable under the equity method of accounting. The impairment amount is measured as the difference between the carrying amount of the investment and the higher of its fair value less costs of disposal and its value in use. Impairment losses are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

#### 8.18 ***Stock-Based Compensation***

The Company issues equity-settled stock options under the Stock Option Plan to its employees, directors and consultants and follows the fair value method of accounting. A Black-Scholes option-pricing model is used to determine the fair value of the award at the time the stock options are granted. The related expense is charged to the statement of comprehensive loss with a corresponding increase in equity as contributed capital reserve over the vesting term. Consideration received on the exercise of an option is credited to share capital, along with the related stock-based compensation previously recognized in contributed capital reserve.

#### 8.19 ***Leases***

Leases are recognized as right-of-use assets and a corresponding lease liability at the date on which the leased asset is available for use by the Company. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments. The leases have been measured at the present value of the lease payments, discounted using the Company's incremental borrowing rates at the date on which the leased asset is available for use.

#### 8.20 ***Financial Instruments***

The Company measures financial assets and financial liabilities at fair value on initial recognition, which is typically the transaction price unless a financial instrument contains a significant financing component. Measurement in subsequent periods depends on the financial instrument's classification, as described below.

- Fair value through profit or loss - Financial instruments designated at fair value through profit or loss are initially recognized and subsequently measured at fair value with changes in those fair values immediately charged to net income (loss). Under this classification, the Company included the YARF Warrants, the Unit Warrants, the Lender Warrants and the commodity derivatives.
- Amortized cost - Financial instruments designated as amortized cost are initially recognized at fair value, net of directly attributable transaction costs, and are subsequently measured at amortized cost using the effective interest method. Financial instruments under this classification include cash and cash equivalents, accounts receivable, the Senior Credit Facility and accounts payable and accrued liabilities.
- Fair value through other comprehensive income - Financial instruments designated as fair value through other comprehensive income are initially recognized at fair value, net of directly attributable transaction costs, and are subsequently measured at fair value with changes in fair value recognized in other comprehensive income, net of tax. The Company does not have any financial instruments under this classification.

#### 8.21 ***Impairment of financial assets***

The Company recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. Expected credit losses exist if one or more loss events occur after initial recognition of the financial asset which has an impact on the estimated future cash flows of the financial asset and that impact can be reliably measured. The Company uses a combination of historical and forward-looking information to determine the appropriate expected credit loss. The carrying amount of the asset is reduced through the use of an allowance account, and the loss is recognized in the statement of net income (loss) and comprehensive income (loss).

#### 8.22 ***Per Share Data***

Basic net income (loss) per share is calculated using the weighted average number of shares outstanding during the year. The treasury stock method is used to calculate diluted earnings per share. This method assumes that only in-the-money stock options and warrants are exercised and that any proceeds would be used to purchase

Common Shares at the average market price during the year.

#### 8.23 ***Deferred Income Tax***

The Company uses the liability method of accounting for income taxes, whereby deferred income tax assets and liabilities are recognised based on temporary differences between the tax basis of assets and liabilities and their carrying amount in the consolidated financial statements, and for unused tax loss carry-forwards.

Deferred tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted at the statement of financial position date.

Deferred income tax assets are recognized only to the extent it is probable that taxable profit will be available to utilize the associated tax deductions.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to offset current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same tax jurisdiction.

#### 8.24 ***Significant accounting judgements and estimates***

##### Critical judgements in applying accounting policies

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions and to use judgement that affects the reported amounts of assets, liabilities, revenues and expenses. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accordingly, actual results may differ from those estimated amounts and differences may be material.

The following are critical judgements that have the most significant effect on the amounts recognized in the Financial Statements.

The determination of the cash generating units is subject to management judgement. The recoverability of the Company's D&P and E&E assets are assessed at the cash generating unit level. A cash generating unit is the lowest level at which there are identifiable cash inflows that are largely independent of the cash inflows of other cash generating units. The classification of assets into cash generating units requires significant judgement and interpretation. Management considers factors such as integration among assets, shared infrastructure, common sales points, geographical proximity, petroleum type and how management makes decisions about the Company's operations.

Management applies judgement in assessing the existence of indicators of impairment or impairment reversal at a cash generating unit level quarterly or when an indication of impairment exists based on various internal and external factors. The key estimates applied in determining an acceptable range of recoverable amounts normally includes information on future commodity prices, expected production volumes, quantity of reserves, future development and operating costs, discount rates, and income taxes.

E&E assets are initially capitalized with the intent to establish commercially viable reserves. E&E assets include undeveloped land and costs related to exploratory wells. The Company is required to make estimates and judgements about future events and circumstances regarding the future economic viability of extracting the underlying resources. Changes to project economics, resource quantities, expected production techniques, unsuccessful drilling, expired mineral leases, production costs and required capital expenditures are important factors when making this determination. To the extent a judgement is made that the underlying reserves are not viable, the E&E costs will be impaired and charged to net income (loss).

Inherent in the calculation of ARO are numerous assumptions and judgements including the ultimate settlement amounts, inflation factors, risk-free discount rates, timing of settlement and changes in the legal and regulatory environments. To the extent future revisions to these assumptions impact the measurement of the existing ARO, a corresponding adjustment is made to the D&P or E&E asset balance. The risk-free discount rate is based on the long-term bond yield. The ARO carrying value and accretion expense from period-to-period may differ due to changes in laws and regulations, technology, the expected timing of expenditures, and market conditions affecting the discount rate applied.

##### Key sources of estimation uncertainty

The following are key estimates and the assumptions made by management affecting the measurement of balances and transactions in the financial statements.

In a business combination, management makes estimates of the fair value of assets acquired and liabilities assumed which includes assessing the value of oil and gas properties based upon an estimation of recoverable quantities of proved and probable reserves being acquired.

Share-based compensation expense, warrants and derivative liabilities involves the Company's estimation of fair value, calculated using assumptions regarding the expected life of the option or warrant, interest rates and volatility. By their nature, these estimates and assumptions are subject to uncertainty, and the actual fair value of stock options or warrants may differ at any time.

The Company's oil and natural gas reserves are evaluated and reported on by independent petroleum engineers and are determined in accordance with Canadian practices and specifically in accordance NI 51-101 and the Canadian Oil and Gas Evaluation Handbook. The estimation of reserves is a subjective process. Forecasts are based on engineering data, projected future rates of production, commodity prices and the timing of future expenditures, all of which are subject to numerous uncertainties and various interpretations. The Company expects that its estimates of reserves will change to reflect updated information. Reserve estimates can be revised upward or downward based on actual reservoir performance, the results from capital expenditure programs, revisions to previous estimates, new discoveries and acquisitions and dispositions during the year. By their nature, these estimates are subject to measurement uncertainty, and the impact on the Financial Statements from changes in such estimates in future periods could be material. Changes in reserve estimates can affect the impairment of assets, including the reversal of previously recorded impairments, the estimation of ARO, the economic feasibility of E&E assets and the amounts recognized for depletion of D&P assets.

If indicators of impairment exist, the carrying value of each cash generating unit is compared to its recoverable amount which is defined as the higher of its fair value less cost of disposal ("**FVLCD**") or its value in use ("**VIU**"). The VIU is estimated as the present value of the future cash flows expected to arise from the continuing use of the cash generating unit or an asset. The FVLCD is the amount that would be realized from the disposition of the asset or cash generating unit in an arm's length transaction between knowledgeable and willing parties.

After application of the equity method, the net investment in the joint venture is assessed for impairment annually and when circumstances suggest that the carrying amount might exceed the recoverable amount. The Company assesses whether it is necessary to recognize any additional impairment loss with respect to its net investment in the joint venture or any other amount that does not constitute part of the net investment. These estimates include the market, economic, legal and political environment in which the joint venture operates, as well as changes in the joint venture's financial condition. Any reversal of impairment losses is recognized to the extent that the recoverable amount of the investment subsequently increases.

Incremental borrowing rates are based on judgements including the Company's own credit risk, economic environment, term, currency and risks specific to the underlying assets. The carrying balance of the right-of-use assets, lease liabilities, and the resulting depreciation and amortization and finance expenses may differ due to changes in the market conditions and lease term.

Provisions, commitments and contingent liabilities are estimated based on the terms of the related contracts and management's best knowledge at the time of issuing the Financial Statements. The actual results ultimately may differ from those estimates as future confirming events occur.

Allowance for expected credit loss ("**ECL**") is sensitive to changes in circumstances and of forecast economic conditions and may not be indicative of actual credit losses.

The fair value of derivative financial instruments is dependent upon forward commodity prices and the volatility of those prices.

The fair value assigned to the host contract of the Senior Credit Facility and the embedded derivative and warrants associated with this debt are based on the Company's estimate, calculated using assumptions including forward interest curves. By nature, these estimates and assumptions are subject to uncertainty, and the actual fair value of the derivative liabilities may differ.

*July 2022 Placing and Winter Bond Financing*Bonds Issued Pursuant to the July 2022 Placing

On 26 July 2022, the Company issued at a 22% discount to the principal face value of Bonds with a principal face value amount of \$25.2 million (for proceeds of approximately \$20 million) as follows:

- 63 2024 Bonds with an aggregate principal face value of \$12.6 million; and
- 63 2025 Bonds with an aggregate principal face value of \$12.6 million.

Bonds Issued Pursuant to the Winter Bond Financing

On 30 December 2022, the Company issued to Anavio 20 additional 2025 Bonds with a principal face value amount of \$4 million at a 20% discount to the principal face value of the 2025 Bonds for proceeds of approximately \$3.2 million. The Company is in active negotiations and intends to issue additional 2025 Bonds pursuant to a second tranche of the Winter Bond Financing, which is expected to close in February 2023.

The additional 2025 Bonds issued pursuant to the Winter Bond Financing were consolidated and formed a single series with the 2025 Bonds issued pursuant to the July 2022 Placing.

Bond Terms

The 2024 Bonds and 2025 Bonds have the same commercial terms, other than in relation to their maturity dates.

The Bonds are currently unsecured. However, upon security interests being granted in relation to a RBL, the Company is obliged to ensure that it and its subsidiaries grant the Bondholders a customary second ranking “security and guarantee package” covering the same security collateral as was provided in relation to a RBL. Moreover, while the Bonds are outstanding, the Company may not grant any security for financial indebtedness or financial indebtedness guarantees without (at the same time or before) granting a pari passu equivalent security package to the relevant Bondholders.

The Bonds had an initial rate of 13.0% per annum on the principal face value of the Bonds, which increases by 0.75% per annum on each three month anniversary from 26 July 2022 (each such anniversary an “**Interest Payment Date**”) until maturity or, until the Company gives notice to the Bondholders that it shall pay all Bond interest in cash (the “**Cash Payment Notice**”). The Cash Payment Notice cannot be issued by the Company until the Senior Credit Facility has been repaid and discharged. From the date the Company provides a Cash Payment Notice, the interest rate will decrease by 2.0% per annum and no further three monthly increases of 0.75% per annum will apply.

Unless the Company provides the Cash Payment Notice to the Bondholders, interest is accrued and its payment deferred until the earlier of: (a) conversion of the Bonds, at which time such accrued unpaid deferred interest will be included in the Conversion Payment (as defined below); and (b) maturity of the Bonds, at which time accrued unpaid deferred interest will be included in the maturity redemption amount; and (c) certain contingent “early exit” type scenarios for the Bondholders, which include the date of an acceleration notice delivered to the Company by a Bondholder and the Company deciding to redeem the Bonds ahead of the scheduled maturity, at which time accrued unpaid deferred interest will be payable.

However, from the date the Company provides a Cash Payment Notice, interest will be payable as follows: (a) all accrued unpaid deferred interest must be paid by the Company on the first Interest Payment Date after the Cash Payment Notice; (b) all interest relating to the interest period in which the Cash Payment Notice is given must be paid on the first Interest Payment Date after the Cash Payment Notice; and (c) all interest relating to an interest period falling after when the Cash Payment Notice is given must be paid on the Interest Payment Date at the end of such interest period.

Bondholders have the right to convert their Bonds at anytime (the “**Conversion Option**”) at a fixed conversion price of £0.1325 (\$0.1583) per Common Share, subject to customary anti-dilution protections and price re-adjustments.

The conversion of the Bonds also results in a payment due to the Bondholders (the “**Conversion Payment**”) that is calculated as the sum of: (a) a redemption premium of 19% of the relevant principal face value of the

Bonds being redeemed; (b) the relevant make whole amount calculated as the sum of the present values of all interest payable on the principal face value from the conversion date until maturity and discounted at 2% per annum on a quarterly compounding basis; and (c) all accrued but unpaid interest, including deferred interest to the conversion date. Subject to the next paragraph, the Conversion Payment is payable as follows: (a) if a Cash Payment Notice has been given, the Conversion Payment shall be made 7 business days after the relevant conversion date; and (b) if a Cash Payment Notice has not yet been given, the Conversion Payment shall be deferred and paid on the earlier of: (i) the maturity date for the relevant Bonds; (ii) certain contingent “early exit” type scenarios for the Bondholders; and (iii) the Interest Payment Date immediately after when a Cash Payment Notice is given. If a Conversion Payment is deferred it will bear interest at the applicable interest rate referred to above from the day falling 6 months after the issue date until the relevant date for payment or as applicable, the date that shares are delivered pursuant to the Share Settlement Option referred to below.

The Conversion Payment can, at the Bondholder’s option, be settled in Common Shares (the “**Share Settlement Option**”) if a share settlement notice is issued by the Bondholder and: (a) no Cash Payment Notice has been given by the Company on or prior to such notice’s date of issue; and (b) such notice is given on or after 45 days from the relevant conversion date. The Share Settlement Option provides for the Conversion Payment to be settled by the Company issuing a number of Common Shares that is calculated by dividing the Conversion Payment by the lowest daily volume weighted average market price of the Common Shares for the five consecutive trading days immediately after the date of the share settlement notice.

At the relevant maturity date, any relevant Bonds outstanding, except for the Bonds in which the Conversion Option has been exercised will be redeemed by the Company by a cash payment on the maturity date of the maturity redemption amount of: (a) 119% of the principal face value amount of the relevant Bonds; and (b) all accrued but unpaid interest up to the maturity date.

Subject to the right of each Bondholder to exercise its conversion rights, by giving not less than 30 days and not more than 45 days notice, the Company may at its option (the “**Company’s Option Notice**”) redeem all, but not some of the Bonds by the cash payment (on the date (the “**Company Option Redemption Date**”) specified in the Company Option Notice of an early redemption amount (the “**Company Call Early Redemption Amount**”) in respect of each Bond outstanding, at any time on or after the date falling six months after the issue date, if the value of a Bond as determined by the calculation agent, on at least 20 dealing days in any period of 30 consecutive dealing days not ending earlier than 7 dealing days prior to the giving of the relevant Company Option Notice, has exceeded US\$0.26 million (such option of the Company being the “**Company’s Prepayment Option**”). The Company may not exercise the Company’s Prepayment Option prior to the date falling 6 months after the issue date. The Company Call Early Redemption Amount is comprised of: (a)(i) 114% of the principal face value of the relevant Bonds if the redemption date falls into the period between 6 and 12 months from the issue date; or (ii) 109% of the principal face value of the relevant Bonds if the redemption falls into a period after 12 months from the issue date; (b) the relevant make whole amount calculated as the sum of the present values of all interest payable from the Company Option Redemption Date until maturity and discounted at 2% per annum on a quarterly compounding basis; and (c) all accrued but unpaid interest up to, but excluding the Company Option Redemption Date including any deferred interest.

Subject to a fundamental change event or an event of default, the Bondholder will have the right to require the Company to redeem in cash any of its Bonds (the “**Bondholders’ Redemption Option**”) in an amount equal to: (a) 119% of the principal face value amount of the relevant Bonds; (b) the relevant make whole amount calculated as the sum of the present values of all interest payable from the Company Option Redemption Date until maturity and discounted at 2% per annum on a quarterly compounding basis; and (c) all accrued but unpaid interest up to, but excluding the Company Option Redemption Date including any deferred interest. A fundamental change event is defined as a change in control, a de-listing event or a free float event, which is Common Shares held by shareholder groups holding less than 5% of the Company’s outstanding share capital falling below 20% of the total outstanding share capital of the Company for a period of 20 consecutive business days.

The documentation relating to the Bonds contains various covenants, including anti-dilution matters and protection of rights relating to shares and events of default, including in relation to insolvency type matters, non-payment, non-performance, and cross-default under other financial indebtedness of the Company or its material subsidiaries. There is a calculation agent involved in performing and providing the various relevant calculations flowing from the documents relating to the Bonds, which are generally binding on all parties.

#### Warrants issued pursuant to the July 2022 Placing

The Company issued to the Bondholders a total of 54,792,590 common share purchase warrants (as an additional compensation to Bondholders for their participation in the Bonds issue) pursuant to the July 2022 Placing. Each

warrant entitles the holder to purchase one Common Share at an exercise price of £0.1675 (\$0.2001) per Common Share on or before 26 January 2025.

The exercise price of the warrants is denominated in GBP, and the Company's functional currency is US\$. Accordingly, due to the variability in exchange rates, this would not result in a fixed amount of equity instruments being issued for a fixed price and as such the warrants are classified as a derivative financial instrument and subsequently revalued at each balance sheet date.

The fair value of warrants as of 26 July 2022, estimated at \$5.1 million, using a Black-Scholes option pricing model, with payoffs modified to account for dilution, was recognized as a derivative liability as at the date of issue of these warrants. As at 30 September 2022, the fair value of the warrants was estimated to be \$3.2 million. Accordingly, the Company recognized a gain on the derivative liability of \$1.9 million in its statement of net (loss) income.

#### Warrants issued pursuant to the Winter Bond Financing

As additional compensation for participation in the Winter Bond Financing, the Company issued to Anavio 12,760,572 warrants on 30 December 2022. Each warrant entitles the holder to purchase one Common Share at an exercise price of £0.18 until 30 June 2025, provided that the exercise price shall lower to £0.135 effective 1 March 2023 if by 28 February 2023 (or such later date as agreed upon by 75% of the warrant holders), a RBL has not been entered into and/or certain refinancing conditions have not been satisfied.

The Company is in active negotiations and intends to issue additional warrants pursuant to a second tranche of the Winter Bond Financing, which is expected to close in February 2023.

#### Costs related to the July 2022 Placing and the Winter Bond Financing

In connection with the July 2022 Placing, the Company incurred brokers' fees for a total of \$1.18 million that was paid by the issue of 5,895,000 Common Shares to brokers on 9 August 2022. The Company also issued 5,895,000 Common Share purchase warrants to its brokers, as an additional compensation. Each broker warrant entitled the holder to purchase one Common Share at an exercise price of £0.1675 (\$0.2001) per Common Share on or before 24 October 2022, which expired unexercised.

The fair value of the broker warrants issued pursuant to the July 2022 Placing as at 26 July 2022 was estimated at \$0.24 million, using a Black-Scholes option pricing model. Given that fees and warrants represent payments to the brokers in respect of the July 2022 Placing, they are recognized as transaction costs and are not subject to further revaluations.

Other costs related to the July 2022 Placing include \$0.4 million of Bondholders' legal fees, \$0.4 million of Company's legal fees and \$0.1 million of calculation agent fees.

No broker fees were incurred in connection with the Winter Bond Financing.

#### Conversions

As of the date of this Prospectus, the Company has issued a total of 27,514,348 Common Shares in respect of the conversion of the Bonds. There are 55 2024 Bonds and 84 2025 Bonds that have remained unconverted.

#### **Commodity risk management contracts**

On 21 December 2022, the Company signed new swap contracts that replaced remaining terms of prior contracts in place with respect to the sales of crude oil production and the purchase of butane used for the miscible flood program in the BFSU. As at 31 December 2022, the terms of new contracts can be summarised as follows:

Commodity	Fixed price SWAP	Total notional volumes	Term	Average price (US\$)
Crude oil	WTI Put	135,750 barrels	Jan 1/23 to June 30/23	\$60.00
Crude oil	WTI Futures	231,218 barrels	July 1/23 to Feb 29/24	\$52.87
Crude oil	WTI Futures	306,000 barrels	March 1/24 to Dec 31/24	\$52.88
Butane	Normal (NC4)	7,551,678 gallons	Jan 1/23 to Feb 29/24	\$0.6700

## **10. THIRD QUARTER 2022 FINANCIAL SUMMARY**

The following table presents data from the Company's unaudited consolidated statements of comprehensive loss for the nine months ended 30 September 2022 and 2021.

For the nine months ended September 30 (in USD 000s) (unaudited)			2022	2021
<b>Revenue</b>				
	Petroleum sales, net of royalties		21,267	9,174
	Realized loss on commodity derivatives – crude oil		(11,557)	(909)
	Unrealized loss on commodity derivatives – crude oil		1,439	(9,639)
			11,149	(1,374)
<b>Expenses</b>				
	Production taxes		(2,643)	(1,156)
	Operating		(4,993)	(3,343)
	Realized gain on commodity derivatives – butane		5,768	1,173
	Unrealized gain on commodity derivatives – butane		(4,603)	9,823
	Depletion, depreciation and amortization		(3,510)	(2,430)
	General and administrative		(6,466)	(5,818)
	Share-based compensation		(3,554)	-
	Acquisition costs		-	(2,145)
	Pre-license costs		(592)	(300)
			(20,593)	(4,196)
<b>Financing expenses</b>				
	Finance costs, net		(11,371)	(4,788)
	Change in fair value of convertible bonds		325	-
	Gain (loss) on derivative liabilities		4,198	(1,931)
	Gain on extinguishment of loan		-	332
	Foreign exchange (loss) gain, net		(949)	(67)
			(7,797)	(6,454)
	Loss before investment in joint venture		(17,241)	(12,024)
	Loss on investment in joint venture		(1)	(1)
	Loss after investment in joint venture		(17,242)	(12,025)
	Income tax expense		-	-
	<b>Net loss</b>		<b>(17,242)</b>	<b>(12,025)</b>
	Gain (loss) on translation of foreign subsidiaries		689	66
	<b>Comprehensive loss</b>		<b>(16,553)</b>	<b>(11,959)</b>

On 26 July 2022, COPL America closed the Cuda Acquisition with the court-appointed receiver for Cuda for cash consideration of \$19.2 million plus the assumption of Cuda's operating arrears owed to the Company of \$1.6 million and acquisition costs of \$0.12 million for a total cost of \$20.9 million. Cuda's sole assets are non-operating interests in the BFSU (27.0% WI), Cole Creek Unit (33.3% WI) and non-unitized lands complimentary to COPL America's assets. As such, COPL America is the majority owner of the Wyoming Assets with operated interests of 85% to 100% across its three oil producing units in Wyoming, US. The Cuda Acquisition was financed with the issuance of the Bonds issued pursuant to the July 2022 Placing.

#### Revenue, Net of Royalties

Petroleum sales, net of royalties totalled \$21.3 million for the nine month reporting period in 2022 as compared to \$9.2 million in the comparable prior period. The increase in petroleum sales is due primarily to increased oil volumes, increased commodity prices and the nine month comparable prior period only includes 199 days of operations from the Atomic Acquisition that closed on 16 March 2021.

The Company's revenue relates to oil production in Wyoming, US that is currently sold under a contract with one purchaser, and is based on the monthly average of WTI for light sweet crude oil as quoted on NYMEX less negotiated differentials including transportation costs. SWP is an agent for certain non-operating joint interest owners and royalty owners, and receives and distributes revenue on their behalf. The results of operations only reflects the Company's portion of revenue net of royalties.

Oil production for the nine month reporting period in 2022 averaged 1,060 bbls/d net to the Company at an average realized price before royalties of \$95.04/bbl as compared to 916 bbls/d at \$64.23/bbl in the comparable prior period. The increase in oil production in the reporting periods is due primarily to the Cuda Acquisition offset by operational interruptions at certain high impact wells. The Company's average realized sales price, before royalties increased by 48% from the nine month comparable prior periods, primarily due to significant increases in benchmark oil prices which positively impacted the sales price the Company received for its production in the reporting period in 2022. The average realized price the Company receives for its crude oil production depends on several factors, including the average benchmark prices for crude oil, transportation and product quality differentials.



Royalties are paid to the state of Wyoming and other land and mineral rights owners. The effective royalty rate, which is calculated by dividing the royalties into gross sales in the period was 22.7% in the nine month reporting period in 2022 as compared to 21.6% in the nine month comparable prior periods.

#### *Commodity derivatives*

The Company has in place the following commodity risk management contracts in respect of crude oil production and butane used for the miscible flood injection program as at 30 September 2021.

Commodity	Fixed price SWAP	Total notional volumes	Term	Average price (US\$)
Crude oil	WTI Futures	103,409 barrels	Oct 1/22 to Dec 31/22	\$56.58
Crude oil	WTI Futures	416,772 barrels	Jan 1/23 to Feb 29/24	\$52.87
Butane	Normal (NC4)	2,439,338 gallons	Oct 1/22 to Dec 31/22	\$0.768
Butane	Normal (NC4)	9,921,552 gallons	Jan 1/23 to Feb 29/24	\$0.670

- (1) The floating price of the crude oil contracts for each contract month is equal to the arithmetic average of the NYMEX WTI light sweet crude oil futures first nearby contract settlement price for each business day during the contract month.
- (2) The floating price of the butane contracts for each contract month is equal to the arithmetic average of the OPIS Mont Belvieu butane futures for each business day during the contract month.

There were no commodity derivative contracts entered into subsequent to 30 September 2022.

#### *Realized and unrealized gain (loss) on commodity derivatives*

For the nine month reporting period in 2022, the Company recorded a realized loss on crude oil commodity derivatives of \$11.6 million (\$39.93/bbl) as compared to \$1.0 million (\$4.99) in the comparable prior period and a realized gain on butane commodity derivatives of \$5.8 million (\$19.93/bbl) related to the purchase of butane used for the miscible flood recovery program in the BFSU as compared to \$1.2 million (\$6.44) in the comparable prior period.

For the nine month reporting period in 2022, the Company recorded an unrealized gain on crude oil commodity derivatives of \$1.4 million and an unrealized loss on butane commodity derivatives of \$4.6 million.

#### *Production Taxes and Operating Expenses*

The production taxes are comprised mainly of severance tax and ad valorem tax imposed in Wyoming, US and are directly related to crude oil sales and are generally assessed as a percentage of net revenues. From time to time, there are adjustments to the statutory rates for these taxes based upon certain credits that are determined based upon activity levels and relative commodity prices. For the nine month reporting period in 2022, the production taxes amounted to \$2.6 million (\$9.13/bbl) as compared to \$1.2 million (\$6.34/bbl) in the comparable prior periods. The increase is due primarily to the increase in petroleum sales in the reporting period and the comparable prior period only includes 199 days of operations from the Atomic Acquisition that closed on 16 March 2021.

Operating expenses related to the oil production in Wyoming for the nine month reporting period in 2022 amounted to \$5.0 million (\$17.25/bbl) as compared to \$3.3 million (\$18.35/bbl) in the comparable prior period. The increase in aggregate operating expenses in the reporting periods is due to general increases in field maintenance activities due to the production response of the BFSU miscible flood, the commitment to purchase mixed natural gas liquids, consisting primarily of butane for the miscible flood recovery program at a time when the Company is only injecting dry gas and a surface land settlement of approximately \$0.4 million to a large landholder in the BFSU related to activities prior to the Atomic Acquisition. The increase in aggregate operating expenses in the reporting period is also due partially to the comparable prior period, which includes only 199 days of operations from the Atomic Acquisition that closed on 16 March 2021.

#### *Depletion, Depreciation and Amortization ("DD&A") Expense*

DD&A for the nine month reporting periods in 2022 was \$3.5 million (\$12.13/bbl) as compared to \$2.4 million (\$13.34/bbl) in the comparable prior periods. Depletion is calculated based on unit of production, estimates of proved and probable reserves, and future development costs to bring those reserves into production. The increase in aggregate DD&A in the reporting period is due primarily to the comparable prior period, which includes only 199 days of operations from the Atomic Acquisition that closed on 15 March 2021.

### *General and Administrative (“G&A”) Expenses*

G&A expenses amounted to \$6.5 million for the nine month reporting period in 2022 as compared to \$5.8 million in the comparable prior period. The increase in G&A expenses in the reporting period is partially due to an increase in employee costs, office expenditures and consulting and advisory services with respect to the US operations as the comparable prior period includes only 199 days as the Atomic Acquisition closed on 16 March 2021. The increase in aggregate G&A expenses in the reporting period is also due to general increases in travel due to the easing of the COVID-19 restrictions, software enhancements and consulting fees to improve business processes.

### *Share-Based Compensation Expense*

On 29 January 2022, the Company granted to its directors, officers and employees 15,430,000 stock options to acquire Common Shares at an exercise price of \$0.42 (CAD\$0.54) per share, with 13,380,000 stock options vesting immediately and 2,050,000 vesting after the first anniversary of the date of grant with all stock options expiring five years from the date of grant. The related share-based compensation expense of \$3.6 million has been recognized in the net (loss) income for the nine month reporting period and as an addition to the contributed capital reserve. The fair value of each stock option granted was estimated on the date of grant using a Black-Scholes option pricing model.

### *Finance costs*

Finance costs amounted to \$11.4 million for the nine month reporting period as compared to \$4.8 million in the comparable prior period. The finance costs incurred in the reporting period and the comparable prior period relate primarily to the Senior Credit Facility and ongoing US operations. The increase in interest expense in the nine month reporting period is due to the initial draw of \$45.0 million from the Senior Credit Facility occurring on 16 March 2021. Additional financing costs were incurred in the first nine months of 2022 that relate primarily to the \$1.8 million charge for obtaining a waiver from its lender and \$0.9 million related to additional 1% lender warrants issued on 6 April 2022.

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Senior Credit Facility provides for an interest rate at LIBOR, with a floor of 2.0% plus 10.5% per annum. Management monitors the LIBOR forward curve, which exceeded 2.0% in both August and September 2022 and as at 30 September 2022 was anticipated to vary between 3.6% and 4.7% for the remaining monthly periods until maturity of the facility in March 2025. The current maximum interest risk exposure is approximately \$1.1 million of additional interest expense per annum, assuming a LIBOR rate of 4.7% is applicable for the full year. There were no interest derivative contracts as at or entered into subsequent to 30 September 2022 to manage the interest rate risk.

### *Gain (loss) on derivative liabilities*

For the nine month reporting period in 2022, the Company recorded a gain of \$4.2 million as compared to a loss of \$1.9 million in the comparable prior periods, that related to the remeasurement of the fair value of derivative liabilities.

## CAPITALISATION AND INDEBTEDNESS STATEMENT

The capitalisation and indebtedness information of the Group as at 30 November 2022 has been prepared based on management estimations and management accounts of the Group that are not subject to audit and/or auditors' review.

(in US\$ 000s)	As at 30 November 2022
<b>Total current debt</b>	
Guaranteed	-
Secured <sup>(1)</sup>	6,635
Unguaranteed / unsecured (excluding current portion of non-current debt) <sup>(2)</sup>	79
<b>Total non-current debt</b>	
Guaranteed	-
Secured <sup>(3)</sup>	40,312
Unguaranteed / unsecured <sup>(4)</sup>	19,673
<b>Total debt</b>	<u>66,697</u>
<b>Shareholders' equity<sup>(5)</sup></b>	
Share capital	208,046
Legal reserves	-
Other reserves <sup>(6)</sup>	54,389
<b>Total capitalisation</b>	<u><u>262,435</u></u>

(1) Current secured debt comprises of commodity derivative net liabilities related to the Senior Credit Facility.

(2) Current unguaranteed/unsecured debt comprises of lease liabilities due within one year.

(3) Non-current secured debt comprises Senior Facility of US\$35.6 million, derivative liability – Lender Warrants of US\$3.4 million and derivative liability- LIBOR floor of US\$0.1 million, and commodity derivative net liabilities of US\$1.2 million all related to the Senior Credit Facility.

(4) Non-current unguaranteed/unsecured debt comprises the issued Bonds of \$8.6 million, derivative liability – Bondholder Warrants of US\$4.2 million related to the issued Bonds, lease liabilities due after one year of US\$0.1 million and asset retirement obligations of US\$6.8 million.

(5) Does not include accumulated deficit of US\$228.8 million as at 30 November 2022.

(6) Other reserves as at 30 November 2022 comprises accumulated other comprehensive loss that consists of unrealized foreign exchange on translation of foreign subsidiaries of US\$1.5 million, warrants of US\$1.0 million and contributed capital reserve of US\$54.9 million related to stock options.

(7) In 2021, the Company signed a commitment with a third party to purchase up to 2,600 barrels per day mixed natural gas liquids, consisting primarily of butane for the miscible flood recovery program in the BFSU to 30 September 2026. If the third party is able to provide the 2,600 barrels per day of mixed natural gas liquids, the maximum commitment is up to \$11.5 million, based on prevailing commodity prices. Historically the third party has been unable to deliver the 2,600 barrels per day and as such the realised commitment is likely to be lower over the term of the contract

The following table sets out the Group's net indebtedness as at 30 November 2022 and has been prepared based on management estimations and management accounts of the Group that are not subject to audit and/or auditors' review.

(in US\$ 000s)	30 November 2022
Cash and cash equivalents <sup>1</sup>	2,836
Other current financial assets	-
<b>Liquidity</b>	<b>2,836</b>
Current financial debt (excluding current portion of non-current debt)	6,714
Current portion of non-current debt	-
<b>Current financial indebtedness</b>	<b>6,714</b>
<b>Non-current financial surplus</b>	<b>(3,878)</b>
Non-current financial debt	59,985
Debt Instruments	-
Non-current trade and other payables	-
<b>Non-current financial indebtedness</b>	<b>59,985</b>
<b>Total financial indebtedness</b>	<b>63,863</b>

- (1) Includes escrow amounts of US\$0.5 million as at 30 November 2022 that relate to cash held in escrow accounts with respect to royalty payments due, further to the US legal requirements.

**RESERVES REPORT**

# CANADIAN OVERSEAS PETROLEUM LIMITED

ESTIMATED  
FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN  
LEASEHOLD INTERESTS

ESCALATED PARAMETERS

AS OF  
JULY 31, 2022



RYDER SCOTT COMPANY  
PETROLEUM CONSULTANTS

HOUSTON DENVER  
CALGARY

# **CANADIAN OVERSEAS PETROLEUM LIMITED**

**Estimated**

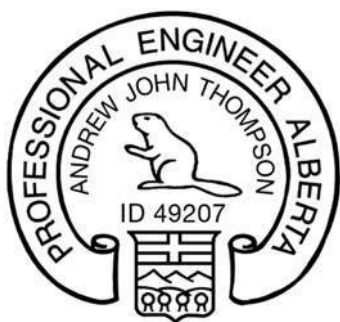
**Future Reserves and Income**

**Attributable to Certain Leasehold Interests**

**Escalated Parameters**

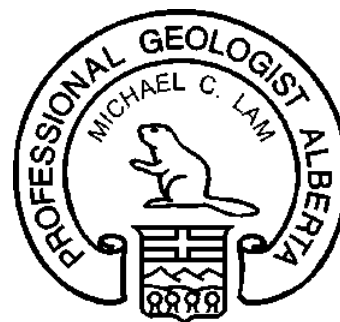
**As of**

**July 31, 2022**



September 2, 2022

Andrew J. Thompson, P.Eng.  
Senior Vice President  
APEGA License No. 49207



September 2, 2022

Michael C. Lam, P.Geol.  
Vice President Technical Specialist  
APEGA License No. 68412

**RYDER SCOTT COMPANY-CANADA**  
APEGA Permit No. P6092

# TABLE OF CONTENTS



# **CANADIAN OVERSEAS PETROLEUM LIMITED**

## **TABLE OF CONTENTS**

### **Discussion**

- Letter
- F2 Form
- Representation Letter
- Certificates of Qualification

### **Definitions and Pricing Assumptions**

### **Summary of Reserve and Income Data**

- Summary of Economic Data
- Table A
- Table B
- Summary Curves
- Reserve Discussions

### **Maps**

### **Grand Summary Projections**

### **Property Summary Projections**

### **Tables**

- Economic Parameter Table
- Reserve Discussions
- Volumetric Tables

## DISCUSSION

# **CANADIAN OVERSEAS PETROLEUM LIMITED**

**Estimated**

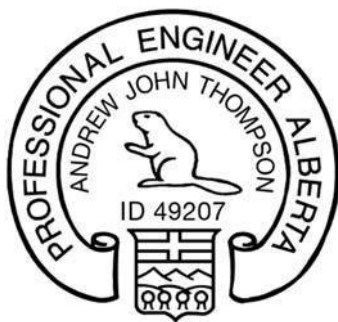
**Future Reserves and Income**

**Attributable to Certain Leasehold Interests**

**Escalated Parameters**

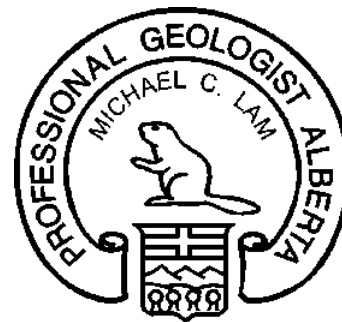
**As of**

**July 31, 2022**



September 2, 2022

Andrew J. Thompson, P.Eng.  
Senior Vice President  
APEGA License No. 49207



September 2, 2022

Michael C. Lam, P.Geol.  
Vice President Technical Specialist  
APEGA License No. 68412

**RYDER SCOTT COMPANY-CANADA**  
APEGA Permit No. P6092



September 2, 2022

Mr. Michael Woofter  
Canadian Overseas Petroleum Limited  
3200, 715 – 5<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 2X6  
Canada

*File No: 8415-MY22*

Dear Mr. Woofter:

At your request and authorization, Ryder Scott Company-Canada (Ryder Scott) has prepared an estimate of proved (1P), and proved plus probable (2P) reserves, future production and income attributable to certain leasehold and royalty interests of Canadian Overseas Petroleum Limited (COPL) as of July 31, 2022. The subject properties are located the state of Wyoming, United States. Income data were estimated using escalated prices and costs, before deducting future income tax expenses. This evaluation has been prepared using the standards set out in the Canadian Oil and Gas Evaluation Handbook (COGEH) as referenced in NI 51-101. The results of our third party study presented herein were prepared for public disclosure by COPL. An executed copy of Form 51-101F2 is included as an attachment to this letter report.

The properties evaluated by Ryder Scott represent 100 percent of the 1P and 2P reserves of COPL in the state of Wyoming, USA as of July 31, 2022. All revenue and costs are presented in United States dollars.

The estimated reserves presented in this report, as of July 31, 2022, are related to hydrocarbon prices based on escalated price parameters. As a result of both economic and political forces, there is significant uncertainty regarding the forecasting of future hydrocarbon prices. Recoverable reserves and the income attributable thereto have a direct relationship with hydrocarbon prices actually received; therefore, volumes of reserves actually recovered and amounts of income actually received may differ significantly from the estimated quantities presented in this report. Results of this study are summarized as follows.

**ESCALATED PARAMETERS**  
Estimated Reserve and Income Data  
Certain Leasehold and Royalty Interests of  
**Canadian Overseas Petroleum Limited**  
As of July 31, 2022

	Proved (1P)			
	Developed		Undeveloped	Total Proved
	Producing	Non-Producing		
<b><u>WI Remaining Reserves</u></b>				
Oil – bbl	9,614,258	158,153	9,112,954	18,885,365
Sales Gas – MMcf	5,641	0	6,452	12,093
NGL – bbl	564,130	0	819,328	1,383,458
MBOE	11,119	158	11,007	22,284
<b><u>Net Remaining Reserves</u></b>				
Oil – bbl	7,507,579	121,059	7,010,758	14,639,396
Sales Gas – MMcf	4,409	0	4,968	9,377
NGL – bbl	440,861	0	629,205	1,070,066
MBOE	8,683	121	8,468	17,272
<b><u>Income Data (\$M)</u></b>				
Future Gross Revenue	\$756,971	\$9,469	\$651,988	\$1,418,428
Ad.Val. & Prod. Taxes	81,017	1,102	75,891	158,010
Deductions	<u>237,979</u>	<u>6,259</u>	<u>281,518</u>	<u>525,756</u>
Future Net Income (FNI)	\$437,975	\$2,108	\$294,579	\$ 734,662
Discounted FNI @ 10%	\$170,201	\$1,815	\$ 82,817	\$ 254,833

	Total Probable	Total Proved + Probable (2P)
<b><u>WI Remaining Reserves</u></b>		
Oil – bbl	15,578,770	34,464,135
Sales Gas – MMcf	8,800	20,893
NGL – bbl	1,201,086	2,584,544
MBOE	18,247	40,531
<b><u>Net Remaining Reserves</u></b>		
Oil – bbl	12,023,173	26,662,569
Sales Gas – MMcf	6,777	16,154
NGL – bbl	923,702	1,993,768
MBOE	14,076	31,348
<b><u>Income Data (\$M)</u></b>		
Future Gross Revenue	\$1,114,510	\$2,532,938
Ad.Val. & Prod. Taxes	129,729	287,739
Deductions	<u>309,695</u>	<u>835,451</u>
Future Net Income (FNI)	\$ 675,086	\$1,409,748
Discounted FNI @ 10%	\$ 237,240	\$ 492,073

Liquid hydrocarbons are expressed in standard 42 U.S. gallon barrels and shown herein as barrels (bbl). All gas volumes are sales gas expressed in millions of cubic feet (MMcf) at standard conditions of 14.65 psia and 60 degrees Fahrenheit. The revenues, deductions, and income data are expressed as thousands of United States dollars (\$M).

Future gross revenue is after deduction of royalty burdens, but prior to the deduction of Ad Valorem and Production Taxes. Future Net Income is calculated after Ad Valorem Taxes, Production Taxes, and Deductions. Deductions are comprised of normal direct costs of operating wells, trucking / transportation, processing charges, recompletion costs, development costs and certain abandonment costs. The Future Net Income is before deduction of state, and federal income taxes and general and administrative (G & A) expenses. The future net income has not been adjusted for outstanding loans that may exist nor does it include any adjustment for cash on hand or undistributed income. This evaluation does not include income or potential income derived from equipment salvage. Estimates of future royalties, mineral taxes were based on existing agreements and government regulations.

Liquid hydrocarbon reserves account for approximately 96 percent and gas reserves account for the remaining 4 percent of total future gross revenue (before burdens) from the proved (1P) reserves reported herein. The corresponding liquid and gas contributions to the 2P future gross revenues are 96 percent and 4 percent respectively

The discounted future net income shown above was calculated using a discount rate of 10 percent per annum compounded monthly. Future net income was discounted at four other discount rates which were also compounded monthly. These results are shown on each estimated projection of future production and income presented in a later section of this report and in summary form below.

<b>ESCALATED PARAMETERS (\$M)</b>			
Discounted Future Net Income			
As of July 31, 2022			
Discount Rate Percent	Total Proved (1P)	Total Probable	Total PV+PB (2P)
5	\$401,062	\$377,158	\$778,220
8	\$301,335	\$282,313	\$583,648
15	\$177,762	\$161,682	\$339,444
20	\$131,712	\$116,400	\$248,112

Results shown above are presented for your information and should not be construed as our estimate of fair market value.

### ***Reserves Included in This Report***

The proved and proved plus probable reserves included herein conform to the definitions set forth in COGEH as referenced in NI 51-101. Estimated quantities of reserves presented in this report, based on escalated price and cost parameters, may differ significantly from quantities of reserves which would be estimated using constant price and cost parameters. An abridged version of COGEH reserves terms and definitions used herein are included in this report under the tab "Definitions and Pricing Assumptions". The various development and production status categories are also defined under the "Definitions and Pricing Assumptions" tab. The developed proved and probable non-producing reserves included herein consist of the behind pipe status category.

No attempt was made to quantify or otherwise account for any accumulated gas production imbalances that may exist. The gas volumes presented as reserves herein do not include volumes of gas consumed in operations as fuel gas but do include reservoir gas and natural gas liquids volumes used for enhanced oil recovery in the BFU Gas Flood Field. Purchased gas and natural gas liquids used for injection in the BFU Gas Flood Field are not included as reserves.

Ryder Scott has included reserve estimates within this report for a stand-alone property representing the 14-30VF well with a new discovery in the Dakota Formation located within the Barron Flats area. These reserves are distinct from the Cole Creek property where reserves have been assigned to the Dakota and Frontier formations. A separate Resource Report dated July 29, 2022 from Ryder Scott provides an assessment of the Contingent and Prospective Resources in the Dakota and Frontier Formations.

### ***Resource Classification***

Recoverable petroleum resources may be classified according to COGEH into one of three principal resource classifications: prospective resources, contingent resources, or reserves. Definitions of reserves, contingent and prospective resources are provided under the “Definitions and Pricing Assumptions” tab. The distinction between contingent and prospective resources relates to the discovery status of the accumulation while the distinction between contingent resources and reserves relates to chance of commerciality of the accumulation. Commerciality is not solely determined based on the economic status of a project which refers to the situation where the income from an operation exceeds the expenses involved in, or attributable to, that operation. Conditions addressed in the determination of commerciality also include technological, economic, legal, environmental, social, and governmental factors. While economic factors are generally related to costs and product prices, the underlying influences include, but are not limited to, market conditions, transportation and processing infrastructure, fiscal terms and taxes.

### ***Reserves Uncertainty***

All reserve estimates involve an assessment of the uncertainty relating to the likelihood that the actual remaining quantities recovered will be greater or less than the estimated quantities determined as of the date the estimate is made. The uncertainty depends chiefly on the amount of reliable geologic and engineering data available at the time of the estimate and the interpretation of these data. Estimates will generally be revised only as additional geologic or engineering data becomes available or as economic conditions change.

Reserves are “estimated remaining quantities of oil and gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on:

- i) analysis of drilling, geological, geophysical, and engineering data;
- ii) the use of established technology;
- iii) specified economic conditions, which are generally accepted as being reasonable, and shall be disclosed”.

Reserves are a subset of resources – that portion of the original resource base that is discovered, remaining, and economically recoverable. Reserves are classified according to the degree of certainty associated with the estimates and can either be proved, probable, or possible.

Proved oil and gas reserves are “those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.” Probable reserves are “those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.” Possible reserves are “those additional reserves which are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.” At COPL’s direction, possible reserves were not estimated in this report.

The reserves included herein were estimated using the deterministic cumulative approach in which quantities of reserves are estimated and assigned as 1P or 2P based on the level of uncertainty for the cumulative volume. Under this approach, 1P denotes the low estimate and 2P denotes the best estimate. The results are presented as cumulative and incremental quantities where the incremental quantities were obtained by subtraction and are denoted as proved and probable.

The reserves and income quantities attributable to the different reserve classifications that are included herein have not been adjusted to reflect these varying degrees of risk associated with them and thus are not comparable. Estimates of reserves may increase or decrease as a result of future operations, effects of regulation by governmental agencies or geopolitical risks. As a result, the estimates of oil and gas reserves have an intrinsic uncertainty. The reserves included in this report are therefore estimates only and should not be construed as being exact quantities. They may or may not be actually recovered, and if recovered, the revenues therefrom and the actual costs related thereto could be more or less than the estimated amounts.

### ***Possible Effects of Regulation***

COPL’s operations may be subject to various levels of governmental controls and regulations. These controls and regulations may include, but may not be limited to:

- matters relating to land tenure and leasing,
- the legal right to produce hydrocarbons including the granting, extension or termination of mineral leases and the relevant fiscal terms therein,
- drilling and production practices,
- environmental protection,
- marketing and pricing policies, and investment incentive programs,
- royalties, various taxes and levies including income tax.

All these controls and regulations are subject to change from time to time. Such changes in governmental regulations and policies may cause volumes of reserves actually recovered and amounts of income actually received to differ significantly from the estimated quantities.

### ***Reserves Estimation Methodology***

The estimation of reserves involves two distinct determinations. The first determination results in the estimation of the quantities of recoverable oil and gas and the second determination results in the estimation of the uncertainty associated with those estimated quantities in accordance with the definitions set forth by COGEH. The process of estimating the quantities of recoverable oil and gas reserves relies on the use of certain generally accepted analytical procedures. These analytical procedures fall into three broad categories or methods: (1) performance-based methods, (2) volumetric-based methods and



(3) analogy. These methods may be used individually or in combination by the reserve evaluator in the process of estimating the quantities of reserves. Reserve evaluators must select the method or combination of methods which in their professional judgment is most appropriate given the nature and amount of reliable geoscience and engineering data available at the time of the estimate, the established or anticipated performance characteristics of the reservoir being evaluated, and the stage of development or producing maturity of the property.

In many cases, the analysis of the available geoscience and engineering data and the subsequent interpretation of this data may indicate a range of possible outcomes in an estimate, irrespective of the method selected by the evaluator. When a range in the quantity of reserves is identified, the evaluator must determine the uncertainty associated with the incremental quantities of the reserves. If the reserve quantities are estimated using the deterministic incremental approach, the uncertainty for each discrete incremental quantity of the reserves is addressed by the reserve category assigned by the evaluator. Therefore, it is the categorization of reserve quantities as proved, probable and/or possible that addresses the inherent uncertainty in the estimated quantities reported. If the quantities are estimated using the deterministic cumulative approach, the level of uncertainty is addressed for the cumulative volume based on the reserve category assigned by the evaluator. Therefore, it is the categorization of the cumulative recoverable quantities that addresses the inherent uncertainty in the estimated quantities reported.

Estimates of reserves quantities and their associated reserve categories may be revised in the future as additional geoscience or engineering data become available. Furthermore, estimates of reserves quantities and their associated reserve categories may also be revised due to other factors such as changes in economic conditions, results of future operations, effects of regulation by governmental agencies or geopolitical or economic risks as previously noted herein.

The reserves for the properties included herein were estimated by performance methods, the volumetric method, analogy, or a combination of methods. In general, reserves attributable to producing wells and/or reservoirs were estimated by performance methods with recovery factor reconciliation to volumetric estimates of in-place volumes. These performance methods primarily include the use of decline curve analysis, and reservoir simulation of the BFU Gas Flood Field, and utilized extrapolations of historical production and pressure data available through July 31, 2022, in those cases where such data were considered to be definitive. The data used in this analysis were furnished to Ryder Scott by COPL or obtained from public data sources and were considered sufficient for the purpose thereof. In those situations where the historical data were insufficient to establish a definitive trend or where there were no production data (non-producing wells and undeveloped locations), reserves were estimated using the volumetric method, analogy, reservoir simulation, or a combination of methods. The methodology used is discussed in further detail in the reserve discussions for each field.

### ***Assumptions and Data Considered for Estimates of Reserves***

To estimate recoverable oil and gas reserves and related future net cash flows, we consider many factors and assumptions including, but not limited to, the use of reservoir parameters derived from geological, geophysical and engineering data which cannot be measured directly, economic criteria based on the cost and price assumptions as noted herein, and forecasts of future production rates. Under the COGEH guidelines the various categories of reserves must be commercially recoverable under defined economic conditions, operating methods and governmental regulations from a given date forward.

COPL has informed us that they have furnished us with all of the material accounts, records, geological and engineering data, plus reports and other data, required for this investigation (see attached Representation Letter). In preparing our forecasts of future production and income, we have relied upon data furnished by COPL with respect to property interests owned, production and well tests from examined wells, reservoir studies, reservoir simulation, analog performance, normal direct costs of operating the wells or leases, other costs such as transportation and/or processing fees, mineral taxes, recompletion and development costs, development plans, abandonment costs, product prices, geological structural and isochore maps, well logs, core analyses, and pressure measurements. Ryder Scott reviewed such factual data for its reasonableness; however, we have not conducted an independent verification of the data supplied by COPL.

In summary, we consider the assumptions, data, methods and analytical procedures used in this report appropriate for the purpose hereof, and we have used all such methods and procedures that we consider necessary and appropriate to prepare the estimates of reserves herein.

### ***Future Production Rates***

Initial production rates are based on current producing rates for those wells now on production. If a decline trend has been established, this trend was used as the basis for estimating future production rates. If no production decline trend has been established, future production rates were held constant, or adjusted for market and/or operating conditions where appropriate, until a decline in ability to produce was anticipated. An estimated rate of decline was then applied to depletion of the reserves. The reserves for the BFU Gas Flood Field in Converse County, Wyoming include an enhanced oil recovery project using miscible gas injection, which commenced implementation in 2019. For wells undergoing enhanced oil recovery in the BFU Gas Flood Field, future production rates were based on a review of available production response and reservoir simulation forecasts. These wells typically have inclining production over the first several years.

It is noted that oil production response throughout the field has a relationship to the amount of miscible injectant placed into the reservoir. The operator has provided guidance that injection rates are planned to be modified significantly in 2022 and 2023, both in terms of injected rate and liquid composition. As a result, there are corresponding increases to oil rates forecast in this report. Achievement of production rates forecast in this evaluation are dependent on the delivery of the injection rates and fluid composition planned by the operator for the BFU Field. Additional information regarding reserves methodology and assessment for the BFU Gas Flood Field is included in the Tables Section of this report.

Test data and other related information were used to estimate the anticipated initial production rates for those wells or locations that are not currently producing. For reserves not yet on production, sales were estimated to commence at an anticipated date based on information supplied by COPL. Wells or locations that are not currently producing may start producing earlier or later than anticipated in our estimates due to unforeseen factors causing a change in the timing to initiate production. Such factors may include delays due to weather, the availability of rigs, the sequence of drilling, completing and/or recompleting wells and/or constraints set by regulatory bodies.

The future production rates from wells currently on production or wells or locations that are not currently producing may be more or less than estimated because of changes including, but not limited to, reservoir performance, operating conditions related to surface facilities, compression and artificial lift, pipeline capacity and/or operating conditions, producing market demand and/or allowables or other constraints set by regulatory bodies.

## Hydrocarbon Prices

Future hydrocarbon price parameters used in this report presented under the tab “Definitions and Pricing Assumptions”, reflect our estimates as of the effective date, and were based on our survey of future hydrocarbon price parameters used by financial institutions and others in the industry as well as NYMEX futures prices. In our opinion, they were within the range of future hydrocarbon price parameters considered reasonable at that time. Estimates of future price parameters have been revised in the past because of changes in government policies, imbalances in hydrocarbon supply and demand, and variation in general economic conditions. Price parameters used in this report may be revised in the future for similar reasons.

Product prices which were actually used for each property reflect adjustments to the benchmark prices for gravity, quality, local conditions, and/or distance from market, referred to herein as “differentials.” The benchmark prices used in this evaluation were West Texas Intermediate applicable to the Wyoming assets. Natural gas prices for the Wyoming assets utilized Colorado Interstate Gas, and natural gas liquids were based on index pricing at Mont Belvieu. The differentials represented to us in the revenue statements were accepted as factual data and reviewed by us for their reasonableness; however, we have not conducted an independent verification of the data used by COPL to determine these differentials.

Average benchmark and received prices for 2021 are summarized in the table below:

Geographic Area	Product	Price Reference	Average Benchmark Prices	Average Realized Prices**
Wyoming, USA	Oil/Condensate	WTI	\$102.00 /bbl	\$98.50/bbl
Wyoming, USA	NGLs	Mont Belvieu	\$64.78 /bbl	\$00.00/bbl
Wyoming, USA	Gas	CIG	\$5.86 /Mcf*	\$0.00/Mcf

\* Based on heating value of 1000 BTU/scf

\*\* First year average realized prices after all adjustments & no Gas or NGL's sold in first year

The effects of derivative instruments designated as price hedges of oil and gas quantities were not reflected in our individual property evaluations.

## Costs

Operating costs for leases and wells in this report were furnished by COPL and are based on operating expense reports and budget information supplied by COPL. Ryder Scott examines historical expense information preferably for a period of 12 months; however, lesser periods are used where operations only recently started or when there has been a recent and substantive change in operations. The expenses examined are directly applicable to the leases and wells within the scope of our review.

A portion of the Capital costs include the purchase of gas and natural gas liquids volumes used for enhanced oil recovery in the BFU Gas Flood Field. Purchased volumes of natural gas and natural gas liquids used for injection in the BFU Gas Flood Field are not included as reserves, however a portion of these products (and their associated revenue) are recovered after the year 2050, when the remaining

gas and natural gas liquids in the system is produced through Blowdown. The associated net gas and natural gas liquid sales revenue are included in the cash flow as "Other Revenue".

Where applicable, operating costs include a portion of G & A costs allocated directly to leases and wells under terms of operating agreements. For the Wyoming assets, the operating costs do not include the overhead costs in accordance with the Council of Petroleum Accountants Societies (COPAS). Costs associated with trucking, transportation, and processing were included in the operating costs presented herein. The operating costs furnished to us were accepted as factual data and reviewed by us for their reasonableness; however, we have not conducted an independent verification of the operating cost data used by COPL. No deduction was made for indirect costs such as indirect G & A expenses, loan repayments, interest expenses, and exploration and development prepayments that were not charged directly to leases or wells.

Development costs were furnished to us by COPL and are based on Authorizations For Expenditure (AFE) and/or budgets for the proposed work or actual costs for similar projects. The development costs furnished to us were accepted as factual data and reviewed by us for their reasonableness; however, we have not conducted an independent verification of these costs. Estimated costs for well abandonment and reclamation were provided by COPL and were included for all evaluated entities including shut-in or suspended wells with no assigned reserves, and facilities such as gas plants, batteries, satellites and pipelines, up to the point of first sale.

Ryder Scott has incorporated guidance from COPL pertaining to Abandonment, Decommissioning and Reclamation (ADR) Costs. Ryder Scott has incorporated the ADR cost guidance but has not conducted an independent verification of these costs.

This evaluation does not include income or potential income derived from equipment salvage. The estimates of the net abandonment costs furnished by COPL were accepted without independent verification.

Because there is a direct relationship between volumes of undeveloped reserves and development plans, we include in the undeveloped category only reserves assigned to undeveloped locations that we have been assured will definitely be drilled, and reserves assigned to the undeveloped portions of secondary projects which we have been assured will definitely be developed. COPL has assured us of their intent and ability to proceed with the development activities included in this report, and that they are not aware of any legal, regulatory or political obstacles that would significantly alter their plans. As the result of our inquiries during the course of preparing this report, COPL has informed us that the development activities included herein have been subjected to and received the internal approvals required by COPL's management at the appropriate local, regional and/or corporate level. In addition to the internal approvals as noted, certain development activities may still be subject to specific regulatory requirements or other administrative approvals external to COPL.

Current costs are escalated for the remainder of 2022 at 3.65 percent annually, 2023 at 4.0 percent annually and 2.0 percent annually each year thereafter until the major hydrocarbon product reaches its final price.

### ***General***

The estimates of the reserves, future production, and income attributable to properties in this report were prepared using the economic software package Value Navigator, a copyrighted program of Quorum Software. Ryder Scott has found this program to be generally acceptable but notes that certain

summaries and calculations may vary due to rounding and may not exactly match the sum of the properties being summarized. Furthermore, one line economic summaries may vary slightly from the more detailed cash flow projections of the same properties, also due to rounding. The rounding differences are not material.

Summary tables of reserve and income data are provided under the “Summary of Reserve and Income Data” tab. These tables provide the required reserve information prescribed in Form 51-101F1 for filing. Also included are one-line summary tables. Table A presents a one-line summary of proved reserve and income data for the subject properties, ranked according to their future net income discounted at 10 percent per year. Table B presents a one-line summary of gross (company working interest before royalties) reserves and net (after royalties) income data. Tables 1-A through 9-B in the “Grand Summary Projections” section of this report present our estimated projection of production and income by years beginning August 1, 2022. These tables present the information aggregated by country and field or pool.

Certain information presented in the summary tables included in “Summary of Reserve and Income Data” is expressed in BOE’s using a conversion ratio of 6 Mcf:1 bbl. It should be noted that BOE’s may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

The estimates of reserves presented herein were based upon a detailed study of the properties in which COPL owns an interest; however, Ryder Scott has not made any field examination of the properties, as it was deemed that an on-site visit would not provide any additional data pertinent to the evaluation of the reserves. No consideration was given in this report to potential environmental liabilities that may exist, nor were any costs included for potential liabilities to restore and clean up damages, if any, caused by past operating practices.

Ownership interests and burdens, historical production, revenue and expense data, product prices received, and other factual data obtained from COPL or from public sources were accepted as represented without further investigation. Estimates presented in this report are based on data available through July 2022 and were prepared during July 2022 through August 2022.

### ***Standards of Independence and Professional Qualification***

Ryder Scott is an independent petroleum engineering consulting firm that has been providing petroleum consulting services throughout the world since 1937. Ryder Scott is employee-owned and maintains offices in Houston, Texas, U.S.A.; Denver, Colorado, U.S.A.; and Calgary, Alberta, Canada. We have approximately eighty engineers and geoscientists on our permanent staff. By virtue of the size of our firm and the large number of clients for which we provide services, no single client or job represents a material portion of our annual revenue. We do not serve as officers or directors of any privately-owned or publicly-traded oil and gas company and are separate and independent from the operating and investment decision-making process of our clients. This allows us to bring the highest level of independence and objectivity to each engagement for our services.

Ryder Scott actively participates in industry-related professional societies and organizes an annual public forum focused on the subject of reserves evaluations and NI 51-101 regulations. Many of our staff have authored or co-authored technical papers on the subject of reserves related topics. We encourage our staff to maintain and enhance their professional skills by actively participating in ongoing continuing education.

Prior to becoming an officer of the Company, Ryder Scott requires that staff engineers and geoscientists have received professional accreditation in the form of a registered or certified professional engineer's license or a registered or certified professional geoscientist's license, or the equivalent thereof, from an appropriate governmental authority or a recognized self-regulating professional organization. Regulating agencies require that, in order to maintain active status, a certain amount of continuing education hours be completed annually, including an hour of ethics training. Ryder Scott fully supports this technical and ethics training with our internal requirement mentioned above.

We are independent petroleum engineers with respect to COPL. Neither we nor any of our employees have any financial interest in the subject properties and neither the employment to do this work nor the compensation is contingent on our estimates of reserves for the properties which were reviewed.

The results of this study, presented herein, are based on technical analysis conducted by teams of geoscientists and engineers from Ryder Scott. The professional qualifications of the undersigned and the technical persons responsible for the evaluation of the reserves information discussed in this report, are included as an attachment to this report letter.

### ***Terms of Usage***

The results of our third party study, presented in report form herein, were prepared in accordance with the disclosure requirements set forth in the NI 51-101 regulations and are intended for public disclosure as an exhibit in filings made with the Canadian regulatory authorities by COPL.

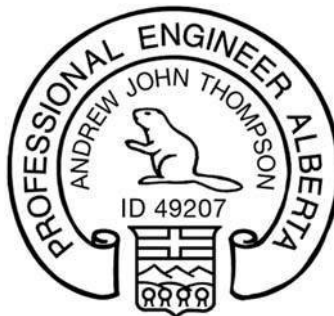
We have provided COPL with a digital version of the original signed copy of this report. In the event there are any differences between the digital version included in filings made by COPL and the original signed report, the original signed report shall control and supersede the digital version.

This report was prepared for the use and benefit of Canadian Overseas Petroleum Limited and may not be put to other use without our prior written consent for such use. The data, work papers, and maps used in the preparation of this report are available for examination by authorized parties in our offices. Please contact us if we can be of further service.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

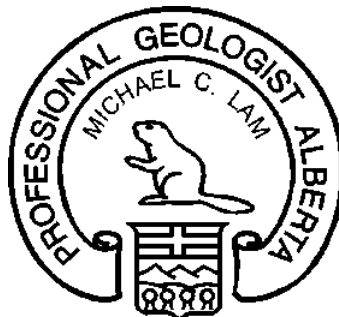
Yours very truly,

**RYDER SCOTT COMPANY-CANADA**  
APEGA Permit No. P6092



September 2, 2022

Andrew J. Thompson, P.Eng.  
Senior Vice President  
APEGA License No. 49207



September 2, 2022

Michael C. Lam, P.Geol.  
Vice President Technical Specialist  
APEGA License No. 68412

AJT-MCL (LPC)/pl

<b>PERMIT TO PRACTICE</b>	
<b>RSC GROUP, INC.</b>	
RM SIGNATURE: _____	
RM APEGA ID #: _____	49713
DATE: _____	September 2, 2022
<b>PERMIT NUMBER: P006092</b>	
The Association of Professional Engineers and Geoscientists of Alberta (APEGA)	



**FORM 51-101F2**  
**REPORT ON RESERVES DATA**  
**BY**  
**RYDER SCOTT COMPANY-CANADA**

To The Board of Directors of Canadian Overseas Petroleum Limited. (the "Company"):

1. We have evaluated the Company's reserves data as at July 31, 2022. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at July 31, 2022, estimated using forecast prices and costs.
2. The reserves data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.
3. We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook as amended from time to time (the "COGE Handbook") maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter).
4. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions presented in the COGE Handbook.
5. The following table shows the net present value of future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Company evaluated for the year ended July 31, 2022, and identifies the respective portions thereof that we have evaluated and reported on to the Company's management:

Independent Qualified Reserves Evaluator or Auditor	Effective Date of Evaluation Report	Location of Reserves (Country or Foreign Geographic Area)	Net Present Value of Future Net Revenue (before income taxes, 10% discount rate) (USD M\$)			
			Audited	Evaluated	Reviewed	Total
Ryder Scott Company	July 31, 2022	United States	\$0	\$492,073	\$0	\$492,073



6. In our opinion, the reserves data respectively evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook, consistently applied. We express no opinion on the reserves data that we reviewed but did not audit or evaluate.
7. We have no responsibility to update our reports referred to in paragraph 5 for events and circumstances occurring after the effective date of our report.
8. Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

Executed as to our report referred to above:

Ryder Scott Company-Canada, Calgary, Alberta, Canada

Execution Date: Dated as of the 2<sup>nd</sup> day of September, 2022

Signed by:

---

Andrew J. Thompson, P.Eng.  
Senior Vice President



September 2, 2022

Ryder Scott Company - Canada  
First Canadian Centre  
2800, 350 – 7th Avenue SW  
Calgary, Alberta T2P 3N9

Dear Sir/Madam:

RE: Independent Evaluation of the Oil and Gas Reserves of Canadian Overseas Petroleum Ltd. (COPL) as of July 31, 2022

Regarding the evaluation of the oil and gas reserves owned by Canadian Overseas Petroleum Ltd (“COPL”), we herein confirm to the best of our knowledge and belief as of the effective date of the evaluation (July 31, 2022), and as applicable, as of today, the following representations and information made available to you during the conduct of the evaluation:

1. We (the Client) have made available to you (the Evaluator) certain records, information, and data relating to the evaluated properties that we confirm is, with the exception of immaterial items, complete and accurate as of the effective date of the oil and gas reserves evaluation, including the following:
  - accounting, financial, tax, and contractual data;
  - asset ownership and related encumbrance information;
  - details concerning product marketing, transportation, and processing arrangements;
  - all technical information including geological, engineering, and production and test data;
  - estimates of future abandonment and reclamation costs.
2. We confirm that all financial and accounting information provided to you is, to the best of our knowledge, both on an individual entity basis and in total, entirely consistent with that reported by our Company for public disclosure and audit purposes.
3. We confirm that our Company has procured through acquisition satisfactory title to all of the assets, whether tangible, intangible, or otherwise, for which accurate and current ownership information has been provided.
4. With respect to all information provided to you regarding product marketing, transportation, and processing arrangements, we confirm that we have disclosed to you all anticipated changes, terminations, and additions to these arrangements that could reasonably be expected to have a material effect on the evaluation of the oil and gas reserves and future net revenues.





5. With the possible exception of items of an immaterial nature, we confirm (as per the data disclosure materials) the following as of the effective date of the evaluation:

- For all operated properties that you have evaluated, no changes have occurred or are reasonably expected to occur to the operating conditions or methods, except as disclosed to you. In the case of non-operated properties, we have advised you of any such changes of which we have been made aware.
- All regulatory approvals, permits, and licenses required to allow continuity of future operations and production from the evaluated properties are in place and, except as disclosed to you, there are no directives, orders, penalties, or regulatory rulings in effect or expected to come into effect relating to the evaluated properties.
- Except as disclosed to you in development planning details, we have no plans or intentions related to the ownership, development, or operation of the evaluated properties that could reasonably be expected to materially affect the production levels or recovery of oil and gas reserves from the evaluated properties.
- If material changes of an adverse nature occur in the properties operating performance subsequent to effective date and prior to the report date, we will inform you of such material changes prior to requesting your approval for any public disclosure of oil and gas reserves information.

Between the effective date of the report and the date of this letter nothing has come to our attention that has materially affected or could materially affect the oil and gas reserve estimates and the economic value of these reserves that has not been disclosed to you.

Yours very truly,

CANADIAN OVERSEAS PETROLEUM LIMITED

A blue ink signature of Arthur Millholland, consisting of a stylized, flowing script.

---

ARTHUR MILLHOLLAND  
President and CEO

A blue ink signature of Rod Christensen, featuring a more formal, cursive style with a prominent initial.

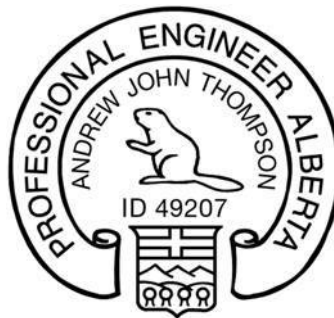
---

Rod Christensen  
Vice President Exploration

## CERTIFICATE OF QUALIFICATION

I, ANDREW J. THOMPSON, Professional Engineer, in the province of Alberta, Canada, HEREBY CERTIFY THAT:

1. I am a registered Professional Engineer in the province of Alberta and reside in the city of Calgary, Alberta.
2. I graduated from the New Mexico Institute of Mining and Technology, U.S.A., with a Bachelor of Science (Petroleum Engineering) degree in 1989.
3. I have been employed in the petroleum industry for approximately 33 years since graduation. During the time of employment I have been directly involved in reservoir engineering, property evaluation, drilling, completion and production operations, oil and gas asset financing and management.
4. I am presently employed by Ryder Scott Company, which prepared an evaluation effective July 31, 2022 for Canadian Overseas Petroleum Limited.
5. A personal field inspection of the properties was not made; however, such an inspection was not considered necessary in view of the information available from public information and records, and the files Canadian Overseas Petroleum Limited.
6. I do not have, nor do I expect to receive, any direct or indirect interest in the securities of Canadian Overseas Petroleum Limited or its affiliated companies.



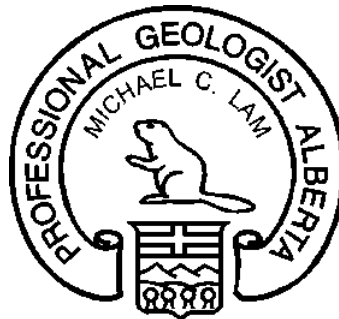
September 2, 2022

Andrew J. Thompson, P.Eng.  
APEGA M49207

## CERTIFICATE OF QUALIFICATION

I, MICHAEL C. LAM, Professional Geologist, in the province of Alberta, Canada,  
HEREBY CERTIFY THAT:

1. I am a registered Professional Geologist in the province of Alberta and reside in the city of Calgary, Alberta.
2. I graduated from the University of Calgary with a Bachelor of Science degree in Geology in 2000.
3. I have been employed in the petroleum industry for approximately 22 years since graduation. During the time of employment I have been directly involved in stratigraphic and lithologic interpretation, reservoir geology and evaluations.
4. I am presently employed by Ryder Scott Company, which prepared an evaluation effective July 31, 2022 for Canadian Overseas Petroleum Limited.
5. A personal field inspection of the properties was not made; however, such an inspection was not considered necessary in view of the information available from public information and records, and the files of Canadian Overseas Petroleum Limited.
6. I do not have, nor do I expect to receive, any direct or indirect interest in the securities of Canadian Overseas Petroleum Limited or its affiliated companies.



September 2, 2022

Michael C. Lam, P.Geol.  
APEGA M68412

## DEFINITIONS AND PRICING ASSUMPTIONS

# **RYDER SCOTT COMPANY**

## **OIL AND GAS PRICE FORECAST** **US \$**

Effective June 30, 2022

<b>YEAR</b>	<b>Cost Inflation %</b>	<b>WTI @ Cushing \$/bbl</b>	<b>Mont Belvieu Butane \$/bbl</b>	<b>Mont Belvieu Propane \$/bbl</b>	<b>Brent North Sea Blend \$/bbl</b>	<b>Nymex @ Henry \$/MMBTU</b>	<b>Colorado* Interstate \$/MMBTU</b>
<b><u>History</u></b>							
2012		94.20			111.65	2.75	2.61
2013		97.97			108.64	3.72	3.61
2014		93.00			99.02	4.37	4.35
2015		48.78			52.39	2.62	2.41
2016		43.28			43.52	2.49	2.26
2017		50.99			54.24	2.96	2.63
2018		64.79			70.94	3.12	2.53
2019		57.01			64.35	2.51	2.04
2020		39.59			41.86	1.99	1.74
2021		67.86			70.64	3.84	5.76
2022 Hist		101.57			107.14	6.00	5.64
2022 Q1		94.45			100.42	4.60	4.34
2022 Q2 Partial		108.70			113.86	7.39	6.94
<b><u>Forecast</u></b>							
2022 (6 mos)	3.65 **	102.00	70.40	59.16	108.96	6.25	5.86
2023	4.00	89.00	61.43	51.62	95.05	5.00	4.69
2024	2.00	80.50	55.56	46.69	85.95	4.35	4.08
2025	2.00	75.00	51.77	43.50	80.06	4.20	3.94
2026	2.00	76.50	52.80	44.37	81.67	4.28	4.02
2027	2.00	78.03	53.86	45.26	83.30	4.37	4.10
2028	2.00	79.59	54.93	46.16	84.97	4.46	4.18
2029	2.00	81.18	56.03	47.09	86.68	4.55	4.26
2030	2.00	82.81	57.15	48.03	88.42	4.64	4.35
2031	2.00	84.46	58.30	48.99	90.19	4.73	4.44
2032	2.00	86.15	59.46	49.97	92.00	4.82	4.53
2033	2.00	87.87	60.65	50.97	93.84	4.92	4.62
2034	2.00	89.63	61.86	51.99	95.72	5.02	4.71
2035	2.00	91.42	63.10	53.03	97.64	5.12	4.80
2036	2.00	93.25	64.36	54.09	99.60	5.22	4.90
2037	2.00	95.12	65.65	55.17	101.60	5.33	5.00
2038	2.00	97.02	66.96	56.27	103.63	5.43	5.10
2039	2.00	98.96	68.30	57.40	105.71	5.54	5.20
2040	2.00	100.94	69.67	58.55	107.83	5.65	5.30
2041	2.00	102.96	71.06	59.72	109.99	5.77	5.41
2042	2.00	105.02	72.48	60.91	112.20	5.88	5.52
2043	2.00	107.12	73.93	62.13	114.44	6.00	5.63
2044	2.00	109.26	75.41	63.37	116.74	6.12	5.74
2045	2.00	111.45	76.92	64.64	119.08	6.24	5.85
2046	2.00	113.67	78.46	65.93	121.46	6.37	5.97
2047+		No Further Escalation					

\*History from NGI

\*\*Equivalent to 7.29%/Yr.

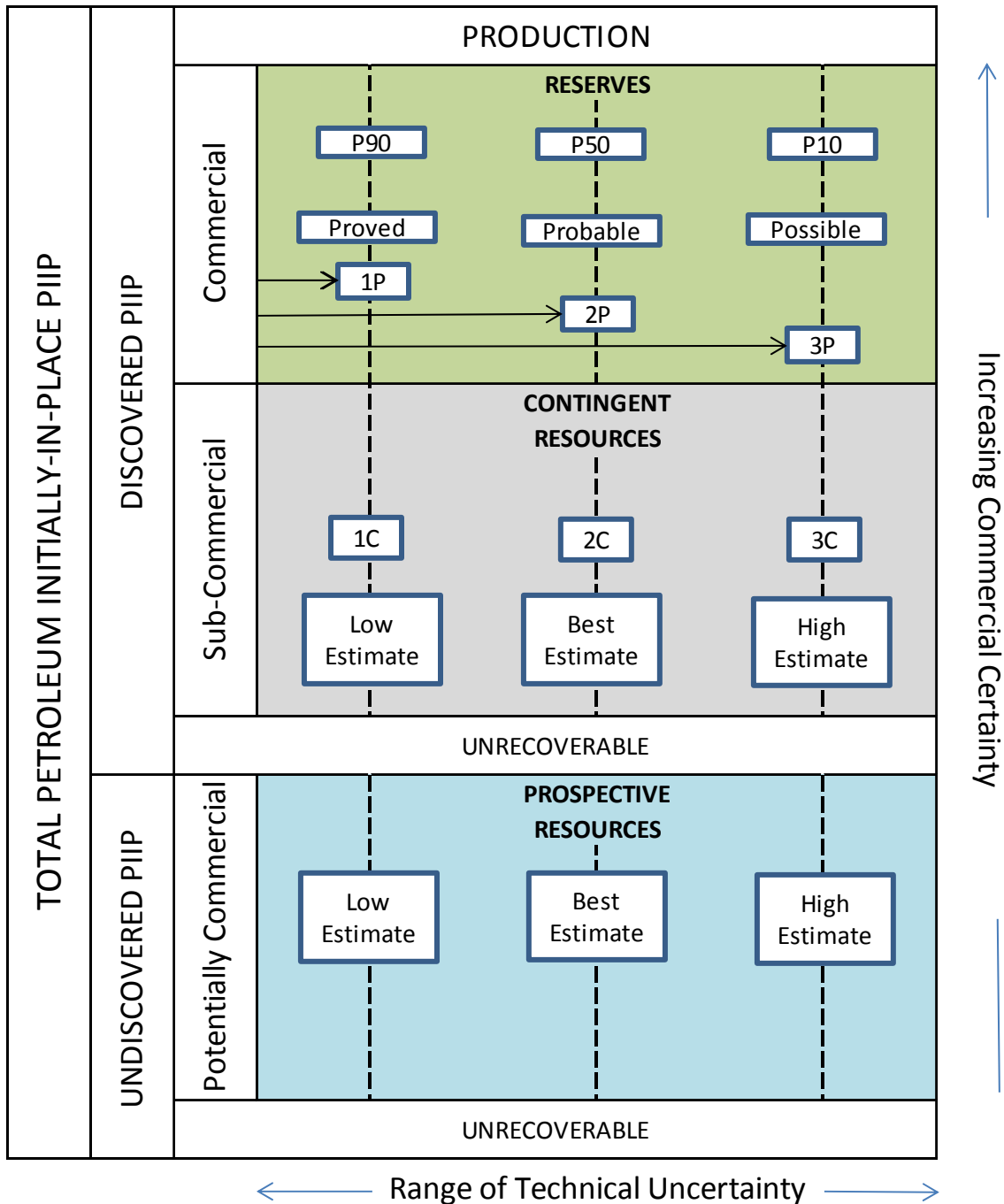
\*\*This inflation factor for costs during the remainder of 2022 should be applied only if OPEX or development costs are based on historical, pre-2022 costs (i.e., not current year 2022\$)

**PETROLEUM RESERVES AND RESOURCES DEFINITIONS  
CANADIAN OIL AND GAS EVALUATION HANDBOOK (COGEH)  
AS REFERENCED IN NATIONAL INSTRUMENT 51 – 101 (NI 51-101)**

**RESOURCES CLASSIFICATION**

The figure below taken from COGEH Volume 1, Section 5, Figure 5-1, illustrates the main resources classification system.

**RESOURCES CLASSIFICATION FRAMEWORK**





The vertical axis represents the chance of commerciality, which is the likelihood that a project will achieve commerciality. The key vertical categories relate to the quantities that are estimated to be remaining and recoverable; that is:

- *reserves*, which are discovered and commercially recoverable (chance of commerciality effectively 100 percent);
- *contingent resources*, which are discovered and potentially recoverable but sub-commercial (chance of commerciality or development less than 100 percent);
- *prospective resources*, which are undiscovered and potentially recoverable (chance of commerciality is the product of chance of discovery and the chance of development).

The range of uncertainty indicated on the horizontal axis reflects that remaining recoverable quantities can only be estimated, not measured.

## **RESERVES DEFINITIONS**

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on

- analysis of drilling, geological, geophysical, and engineering data;
- the use of established technology;
- specified economic conditions, which are generally accepted as being reasonable, and shall be disclosed.

## **RESERVES CATEGORIES**

Reserves are classified according to the degree of certainty associated with the estimates.

### **Proved Reserves**

Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

### **Probable Reserves**

Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

### **Possible Reserves**

Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves. It is unlikely that

the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

Other criteria that must also be met for the categorization of reserves are provided in Section 5.5 of the Canadian Oil and Gas Evaluation handbook (COGEH).

## **RESERVE STATUS CATEGORIES**

Each of the reserves categories may be divided into developed and undeveloped categories.

### **Developed Reserves**

Developed reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g., when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.

#### *Developed Producing Reserves*

Developed producing reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

#### *Developed Non-Producing Reserves*

Developed non-producing reserves include shut-in and behind pipe reserves. These are reserves that either have not been on production, or have previously been on production but are shut in and the date of resumption of production is unknown.

*Shut-in reserves are expected to be recovered from:*

- 1. completion intervals which are open at the time of the estimate but which have not yet started producing;*
- 2. wells which are shut-in for market conditions or pipeline connections;*
- 3. wells which are not capable of production for mechanical reasons.*

*Behind pipe reserves are expected to be recovered from zones in existing wells which will require additional completion work or future re-completion prior to start of production. In all cases, production can be initiated or restored with relatively low expenditure compared to the cost of drilling a new well.*

### **Undeveloped Reserves**

Undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.

In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to subdivide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator's

assessment as to the reserves that will be recovered from specific wells, facilities, and completion intervals in the pool and their respective development and production status.

### **LEVELS OF CERTAINTY FOR REPORTED RESERVES**

The qualitative certainty levels contained in the definitions of the various reserves categories are applicable to individual Reserves Entities, which refers to the lowest level at which reserves estimates are preformed, and to Reported Reserves, which refers to the highest level sum of individual entity estimates for which reserve estimates are presented. Reported Reserves should target the following levels of certainty under a specific set of economic conditions:

- at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves;
- at least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves;
- at least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable plus possible reserves.

A quantitative measure of the certainty levels pertaining to estimates prepared for the various reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, a quantitative measure of the probability associated with a reserves estimate is generated only when a probabilistic analysis is performed. The majority of reserves estimates will be prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle; however, there should be no difference between estimates prepared using probabilistic or deterministic methods. It must be recognized that, regardless of the method used, conditions of uncertainty that are inherent in all reserves estimates cannot be eliminated, and that the estimates themselves represent the evaluator's professional judgment in the application of the definitions and guidelines appropriately and objectively.

## **RESOURCES DEFINITIONS**

### **Contingent Resources**

Those quantities of *petroleum* estimated, as of a given date, to be potentially recoverable from *known accumulations* using *established technology* or *technology under development*, but which are not currently considered to be *commercially* recoverable due to one or more *contingencies*. Contingencies may include factors such as economic, legal, environmental, political, and regulatory matters, or a lack of markets. It is also appropriate to classify as contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage. Contingent Resources are further classified in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.

### **Prospective Resources**

Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources

have both an associated chance of discovery and a chance of development. Prospective Resources are further sub-divided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.

## **RESOURCES CATEGORIES**

Estimates of resources always involve uncertainty, and the degree of uncertainty can vary widely between accumulations/projects and over the life of a project. Consequently, estimates of resources should generally be quoted as a range according to the level of confidence associated with the estimates.

The range of uncertainty of estimated recoverable volumes may be represented by either deterministic scenarios or by a probability distribution. Resources should be provided as low, best, and high estimates as follows:

- **Low Estimate:** This is considered to be a conservative estimate of the quantity that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate. If probabilistic methods are used, there should be at least a 90 percent probability (P90) that the quantities actually recovered will equal or exceed the low estimate.
- **Best Estimate:** This is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater than or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the low estimate.
- **High Estimate:** This is considered to be an optimistic estimate of the quantity that will actually be recovered. It is unlikely that the actual remaining quantities recovered will exceed the high estimate. If probabilistic methods are used, there should be at least a 10 percent probability (P10) that the quantities actually recovered will equal or exceed the high estimate.

The low, best, and high estimates for contingent resources are abbreviated as 1C, 2C, and 3C, respectively, with the corresponding reserves categories of proved (1P), proved + probable (2P), and proved + probable + possible (3P).

This approach to describing uncertainty may be applied to reserves, contingent resources, and prospective resources. There may be significant risk that sub-commercial and undiscovered accumulations will not achieve commercial production. However, it is useful to consider and identify the range of potentially recoverable quantities independent of such risk.

## **RESOURCE STATUS CATEGORIES**

### **Contingent Resources**

Contingent resources can be sub-classified based on economic status and development maturity.

### Economic Status

Contingent resource estimates should have sufficient economic analysis to sub-classify the resource as either economic or sub-economic under economic conditions that are the same as those used for reporting reserves. A project should be evaluated and reported for the best estimate, and if a high estimate is also reported, a low estimate must also be reported.

*Economic Contingent Resources* are those contingent resources that are currently economically recoverable, that is, the development project has a positive NPV at an appropriate discount rate, but is not commercial due to other factors.

*Sub-Economic Contingent Resources* are those contingent resources that are not currently economically recoverable, that is, the development project has a negative NPV at an appropriate discount rate when evaluated under the same economic conditions as reserves. Removal of any contingencies would not result in reclassification as reserves. For sub-economic contingent resources, it is necessary to describe and discuss the conditions necessary to resolve the economic contingency, and the chance that the contingency can be resolved in a reasonable timeframe. If there is not a reasonable chance to resolve the economic contingency in a reasonable timeframe, then these volumes must be classified as development not viable or unrecoverable.

*Economic Status Undetermined Contingent Resources* are those contingent resources associated with projects where evaluations are incomplete such that it is premature to identify the economic viability of the project.

In assessing economic viability, the same fiscal conditions should be applied as in the estimation of reserves, i.e., specified economic conditions which are generally accepted as being reasonable.

### Development Maturity

Project development maturity describes the stage of a development project and broadly corresponds to the chance of commerciality of the project. The boundaries between the maturity subclasses represent “decision gates” that reflect the actions (business decisions) required by the resource owner to move the project up the maturity “ladder” towards commercial production. The project maturity subclasses in order of commerciality are:

#### *Development Pending*

A maturity class of development pending describes the status of a project addressing all or part of a known accumulation where project activities are ongoing to justify commercial viability in the near future. The only significant contingencies remaining are ones that can be, and are being, directly influenced by the developers, and efforts to remove are actively being pursued and are expected to be resolved within a reasonable timeframe. A project described as development pending would be expected to have a high probability of becoming a commercial development (i.e., a high chance of commerciality) whereby contingent resources would be reclassified directly into the corresponding reserves confidence category

#### *Development On Hold*

Projects may be described as development on hold where there is considered to be at least a reasonable chance of commerciality (i.e., it is considered to be more likely than not), but where there are major non-technical contingencies that must be resolved before the project can move toward development. The primary contingencies remaining are subject to the decisions of

others over which the developers have little or no direct influence, and both the outcome and the timing of those decisions are subject to significant uncertainty. Projects in this class also include projects that the developer decides for strategic or other reasons not to pursue any specific activities for a period of time.

*Development Not Viable*

A maturity class of development not viable indicates that a project is not viable with respect to the conditions prevailing at the effective date and a decision has been made not to pursue development or to undertake any further data acquisition or studies on the project for the foreseeable future. However, there may be potential for eventual commercial development and the theoretically recoverable quantities may be recorded so that the potential opportunity will be recognized in the event of a major change in technology or commercial conditions which could result in the project becoming viable.

*Development Unclarified*

Projects may be assigned a maturity subclass of development unclarified if they are still under evaluation (e.g., a recent discovery) or require significant further appraisal to clarify the potential for development and where the contingencies have yet to be fully defined. In such cases, the chance of commerciality may be difficult to assess with any confidence.

**Prospective Resources**

Exploration projects with reported prospective resources must be identified as to their maturity subclass.

Project maturity subclasses for prospective resources, in order of increasing chance of commerciality are:

- *Play.* A family of geologically similar fields, discoveries, prospects and leads.
- *Lead.* A potential accumulation within a play that requires more data acquisition and/or evaluation in order to be classified as a prospect.
- *Prospect.* A potential accumulation within a play that is sufficiently well defined to represent a viable drilling target.

## SUMMARY OF RESERVE AND INCOME DATA

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:48:57 2022

**CANADIAN OVERSEAS PETROLEUM LIMITED**

**GROSS RESERVES (COMPANY WORKING INTEREST RESERVES BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Proved Producing	11,118,604	9,614,258	-	-	5,641	-	564,130	-	-
Proved Non-Producing	158,153	158,153	-	-	-	-	-	-	-
Proved Undeveloped	11,007,628	9,112,954	-	-	6,452	-	819,328	-	-
Total Proved	22,284,384	18,885,365	-	-	12,093	-	1,383,458	-	-
Total Probable	18,246,519	15,578,771	-	-	8,800	-	1,201,086	-	-
Total Proved Plus Probable	40,530,903	34,464,135	-	-	20,893	-	2,584,544	-	-

**NET RESERVES (COMPANY RESERVES AFTER ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Proved Producing	8,683,209	7,507,579	-	-	4,409	-	440,861	-	-
Proved Non-Producing	121,059	121,059	-	-	-	-	-	-	-
Proved Undeveloped	8,467,952	7,010,757	-	-	4,968	-	629,205	-	-
Total Proved	17,272,220	14,639,396	-	-	9,377	-	1,070,066	-	-
Total Probable	14,076,387	12,023,173	-	-	6,777	-	923,702	-	-
Total Proved Plus Probable	31,348,608	26,662,569	-	-	16,154	-	1,993,768	-	-

**DISCOUNTED NET REVENUE BEFORE TAX - (\$M)**

	0 %	5 %	8 %	10 %	15 %	20 %	Net Unit Value Disc. @ 10 % (\$/boe)
Proved Producing	437,975	248,746	194,958	170,201	129,195	104,235	19.60
Proved Non-Producing	2,108	2,047	1,915	1,815	1,564	1,339	14.99
Proved Undeveloped	294,579	150,270	104,462	82,817	47,003	26,139	9.78
Total Proved	734,662	401,062	301,335	254,833	177,762	131,713	14.75
Total Probable	675,086	377,158	282,313	237,240	161,682	116,400	16.85
Total Proved Plus Probable	1,409,748	778,220	583,648	492,073	339,444	248,112	15.70

GAS: 6.0 MCF/BOE

FILTER: COPL 8415-MID2RSV - 082022.XML



**RYDER SCOTT COMPANY**  
**PETROLEUM CONSULTANTS**



**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD    PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:48:57 2022

**CANADIAN OVERSEAS PETROLEUM LIMITED**

<b>NET REVENUE (UNDISCOUNTED) BEFORE TAX - (\$M)</b>						
	Revenue	Prod. Taxes, Surcharges & Royalties	Operating Costs	Development Costs	Abandonment Costs	Future Net Revenue
Total Proved	1,750,535	490,117	310,512	187,721	27,522	734,662
Total Proved Plus Probable	3,194,586	949,388	482,452	315,473	37,525	1,409,748

<b>DISCOUNTED NET REVENUE BEFORE TAX BY PRODUCTION GROUP (\$M)</b>				Net Unit Value Disc. @ 10 %	
	Production Group	Disc. @ 10 %		(\$/boe)	(\$/Mcfe)
Total Proved	Light and Medium Crude Oil (Including Solution Gas and Products)	254,833		14.75	
	Heavy Oil (Including Solution Gas and Products)	-		-	
	Conventional Natural Gas (Non-Associated and Products)	-			-
	Non-Conventional Oil and Gas (Including Solution Gas and Products)	-		-	
	Total	254,833			
Total Proved Plus Probable	Light and Medium Crude Oil (Including Solution Gas and Products)	492,073		15.70	
	Heavy Oil (Including Solution Gas and Products)	-		-	
	Conventional Natural Gas (Non-Associated and Products)	-			-
	Non-Conventional Oil and Gas (Including Solution Gas and Products)	-		-	
	Total	492,073			

	UNDISCOUNTED FUTURE NET DEVELOPMENT COSTS - (\$M)							
	2022	2023	2024	2025	2026	2027	Remainder	Total Future
Total Proved	6,423	28,988	16,567	81,372	27,435	-	26,937	187,721
Total Proved Plus Probable	6,423	30,645	27,449	88,209	63,382	44,763	54,603	315,473

<b>GROSS UNDEVELOPED RESERVES (COMPANY WORKING INTEREST BEFORE ROYALTIES)</b>								
	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Non-Conv. Gas (MMcf)
Proved Undeveloped	11,007,628	9,112,954	-	-	6,452	-	819,328	-
Probable Undeveloped	15,877,847	13,606,629	-	-	7,313	-	1,052,387	-

GAS: 6.0 MCF/BOE

FILTER: COPL 8415-MID2RSV - 082022.XML



**RYDER SCOTT COMPANY**  
**PETROLEUM CONSULTANTS**

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD    PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:48:57 2022

**CANADIAN OVERSEAS PETROLEUM LIMITED**

**UNDISCOUNTED FUTURE NET ABANDONMENT AND RECLAMATION COSTS - (\$M)**

	2022	2023	2024	2025	2026	2027	Remainder	Total Future
Total Proved	-	-	-	588	601	554	25,778	27,522
Total Proved Plus Probable	-	-	-	588	601	740	35,596	37,525

**GROSS 2022 PRODUCTION VOLUMES (COMPANY WORKING INTEREST BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Natural Gas Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Total Proved	213,476	213,476	-	-	-	-	-	-	-
Total Probable	17,331	17,331	-	-	-	-	-	-	-
Total Proved Plus Probable	230,807	230,807	-	-	-	-	-	-	-

**GROSS 2022 PRODUCTION RATES (COMPANY WORKING INTEREST BEFORE ROYALTIES)**

	Total (BOE/d)	Light and Medium Oil (bbl/d)	Heavy Oil (bbl/d)	Non-Conv. Oil (bbl/d)	Conventional Natural Gas Associated (MMcf/d)	Natural Gas Non-Associated (MMcf/d)	Natural Gas Liquids (bbl/d)	Sulfur (Lt)	Non-Conv. Gas (MMcf/d)
Total Proved	1,395	1,395	-	-	-	-	-	-	-
Total Probable	113	113	-	-	-	-	-	-	-
Total Proved Plus Probable	1,509	1,509	-	-	-	-	-	-	-

GAS: 6.0 MCF/BOE

FILTER: COPL 8415-MID22RSV - 082022.XML



**RYDER SCOTT COMPANY**  
**PETROLEUM CONSULTANTS**

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD    PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:47:21 2022

**BFU DAKOTA FIELD**

**GROSS RESERVES (COMPANY WORKING INTEREST RESERVES BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Proved Producing	90,026	90,026	-	-	-	-	-	-	-
Proved Non-Producing	-	-	-	-	-	-	-	-	-
Proved Undeveloped	-	-	-	-	-	-	-	-	-
Total Proved	90,026	90,026	-	-	-	-	-	-	-
Total Probable	27,440	27,440	-	-	-	-	-	-	-
Total Proved Plus Probable	117,466	117,466	-	-	-	-	-	-	-

**NET RESERVES (COMPANY RESERVES AFTER ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Proved Producing	70,682	70,682	-	-	-	-	-	-	-
Proved Non-Producing	-	-	-	-	-	-	-	-	-
Proved Undeveloped	-	-	-	-	-	-	-	-	-
Total Proved	70,682	70,682	-	-	-	-	-	-	-
Total Probable	21,544	21,544	-	-	-	-	-	-	-
Total Proved Plus Probable	92,226	92,226	-	-	-	-	-	-	-

**DISCOUNTED NET REVENUE BEFORE TAX - (\$M)**

	0 %	5 %	8 %	10 %	15 %	20 %	Net Unit Value Disc. @ 10 % (\$/boe)
Proved Producing	2,331	1,806	1,565	1,434	1,190	1,023	20.29
Proved Non-Producing	-	-	-	-	-	-	-
Proved Undeveloped	-	-	-	-	-	-	-
Total Proved	2,331	1,806	1,565	1,434	1,190	1,023	20.29
Total Probable	1,051	568	422	357	255	199	16.55
Total Proved Plus Probable	3,382	2,374	1,987	1,791	1,445	1,223	19.42

GAS: 6.0 MCF/BOE

FILTER: COPL 8415-MID22RSV - 082022.XML



**RYDER SCOTT COMPANY**  
**PETROLEUM CONSULTANTS**

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD    PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:47:21 2022

**BFU DAKOTA FIELD**

**NET REVENUE (UNDISCOUNTED) BEFORE TAX - (\$M)**

	Revenue	Prod. Taxes, Surcharges & Royalties	Operating Costs	Development Costs	Abandonment Costs	Future Net Revenue
Total Proved	7,837	2,400	2,805	-	301	2,331
Total Proved Plus Probable	10,490	3,213	3,595	-	301	3,382

**DISCOUNTED NET REVENUE BEFORE TAX BY PRODUCTION GROUP (\$M)**

	Production Group	Disc. @ 10 %	Net Unit Value Disc. @ 10 %	
			(\$/boe)	(\$/Mcf)
Total Proved	Light and Medium Crude Oil (Including Solution Gas and Products)	1,434	20.29	
	Heavy Oil (Including Solution Gas and Products)	-	-	
	Conventional Natural Gas (Non-Associated and Products)	-		-
	Non-Conventional Oil and Gas (Including Solution Gas and Products)	-	-	
	<b>Total</b>	<b>1,434</b>		
Total Proved Plus Probable	Light and Medium Crude Oil (Including Solution Gas and Products)	1,791	19.42	
	Heavy Oil (Including Solution Gas and Products)	-	-	
	Conventional Natural Gas (Non-Associated and Products)	-		-
	Non-Conventional Oil and Gas (Including Solution Gas and Products)	-	-	
	<b>Total</b>	<b>1,791</b>		

**UNDISCOUNTED FUTURE NET DEVELOPMENT COSTS - (\$M)**

	2022	2023	2024	2025	2026	2027	Remainder	Total Future
Total Proved	-	-	-	-	-	-	-	-
Total Proved Plus Probable	-	-	-	-	-	-	-	-

**GROSS UNDEVELOPED RESERVES (COMPANY WORKING INTEREST BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Proved Undeveloped	-	-	-	-	-	-	-	-	-
Probable Undeveloped	-	-	-	-	-	-	-	-	-

GAS: 6.0 MCF/BOE

FILTER: COPL 8415-MID2RSV - 082022.XML



**RYDER SCOTT COMPANY**  
**PETROLEUM CONSULTANTS**

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD    PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:47:21 2022

**BFJ DAKOTA FIELD**

**UNDISCOUNTED FUTURE NET ABANDONMENT AND RECLAMATION COSTS - (\$M)**

	2022	2023	2024	2025	2026	2027	Remainder	Total Future
Total Proved	-	-	-	-	-	-	301	301
Total Proved Plus Probable	-	-	-	-	-	-	301	301

**GROSS 2022 PRODUCTION VOLUMES (COMPANY WORKING INTEREST BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Natural Gas Associated (MMcf)	Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Total Proved	3,058	3,058	-	-	-	-	-	-	-
Total Probable	320	320	-	-	-	-	-	-	-
Total Proved Plus Probable	3,378	3,378	-	-	-	-	-	-	-

**GROSS 2022 PRODUCTION RATES (COMPANY WORKING INTEREST BEFORE ROYALTIES)**

	Total (BOE/d)	Light and Medium Oil (bbl/d)	Heavy Oil (bbl/d)	Non-Conv. Oil (bbl/d)	Conventional Natural Gas Associated (MMcf/d)	Non-Associated (MMcf/d)	Natural Gas Liquids (bbl/d)	Sulfur (Lt)	Non-Conv. Gas (MMcf/d)
Total Proved	20	20	-	-	-	-	-	-	-
Total Probable	2	2	-	-	-	-	-	-	-
Total Proved Plus Probable	22	22	-	-	-	-	-	-	-

GAS: 6.0 MCF/BOE

FILTER: COPL 8415-MID22RSV - 082022.XML



**RYDER SCOTT COMPANY**  
**PETROLEUM CONSULTANTS**

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD    PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:47:21 2022

**BFU GAS FLOOD FIELD**

**GROSS RESERVES (COMPANY WORKING INTEREST RESERVES BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Proved Producing	10,696,505	9,192,158	-	-	5,641	-	564,130	-	-
Proved Non-Producing	-	-	-	-	-	-	-	-	-
Proved Undeveloped	4,620,403	3,841,301	-	-	2,922	-	292,163	-	-
Total Proved	15,316,907	13,033,459	-	-	8,563	-	856,293	-	-
Total Probable	6,314,833	5,704,251	-	-	2,290	-	228,968	-	-
Total Proved Plus Probable	21,631,740	18,737,710	-	-	10,853	-	1,085,262	-	-

**NET RESERVES (COMPANY RESERVES AFTER ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Proved Producing	8,359,199	7,183,569	-	-	4,409	-	440,861	-	-
Proved Non-Producing	-	-	-	-	-	-	-	-	-
Proved Undeveloped	3,610,793	3,001,934	-	-	2,283	-	228,322	-	-
Total Proved	11,969,992	10,185,503	-	-	6,692	-	669,184	-	-
Total Probable	4,934,972	4,457,808	-	-	1,789	-	178,936	-	-
Total Proved Plus Probable	16,904,964	14,643,311	-	-	8,481	-	848,120	-	-

**DISCOUNTED NET REVENUE BEFORE TAX - (\$M)**

	0 %	5 %	8 %	10 %	15 %	20 %	Net Unit Value Disc. @ 10 % (\$/boe)
Proved Producing	430,967	242,608	189,428	165,034	124,761	100,331	19.74
Proved Non-Producing	-	-	-	-	-	-	-
Proved Undeveloped	133,949	49,894	26,841	16,806	1,802	(5,683)	4.65
Total Proved	564,915	292,503	216,269	181,839	126,563	94,648	15.19
Total Probable	278,360	143,006	103,703	85,880	57,471	41,425	17.40
Total Proved Plus Probable	843,275	435,508	319,971	267,719	184,034	136,072	15.84

GAS: 6.0 MCF/BOE

FILTER: COPL 8415-MID22RSV - 082022.XML



**RYDER SCOTT COMPANY**  
**PETROLEUM CONSULTANTS**

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:47:21 2022

**BFU GAS FLOOD FIELD**

**NET REVENUE (UNDISCOUNTED) BEFORE TAX - (\$M)**

	Revenue	Prod. Taxes, Surcharges & Royalties	Operating Costs	Development Costs	Abandonment Costs	Future Net Revenue
Total Proved	1,232,923	320,610	225,315	105,755	16,328	564,915
Total Proved Plus Probable	1,764,048	484,980	284,487	132,158	19,147	843,275

**DISCOUNTED NET REVENUE BEFORE TAX BY PRODUCTION GROUP (\$M)**

	Production Group	Disc. @ 10 %	Net Unit Value Disc. @ 10 %	
			(\$/boe)	(\$/Mcf)
Total Proved	Light and Medium Crude Oil (Including Solution Gas and Products)	181,839	15.19	
	Heavy Oil (Including Solution Gas and Products)	-	-	
	Conventional Natural Gas (Non-Associated and Products)	-		-
	Non-Conventional Oil and Gas (Including Solution Gas and Products)	-	-	
	Total	181,839		
Total Proved Plus Probable	Light and Medium Crude Oil (Including Solution Gas and Products)	267,719	15.84	
	Heavy Oil (Including Solution Gas and Products)	-	-	
	Conventional Natural Gas (Non-Associated and Products)	-		-
	Non-Conventional Oil and Gas (Including Solution Gas and Products)	-	-	
	Total	267,719		

**UNDISCOUNTED FUTURE NET DEVELOPMENT COSTS - (\$M)**

	2022	2023	2024	2025	2026	2027	Remainder	Total Future
Total Proved	6,423	27,605	16,567	25,547	2,675	-	26,937	105,755
Total Proved Plus Probable	6,423	29,262	27,449	32,385	9,703	-	26,937	132,158

**GROSS UNDEVELOPED RESERVES (COMPANY WORKING INTEREST BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Proved Undeveloped	4,620,403	3,841,301	-	-	2,922	-	292,163	-	-
Probable Undeveloped	4,099,509	3,885,456	-	-	803	-	80,270	-	-

GAS: 6.0 MCF/BOE

FILTER: COPL 8415-MID2RSV - 082022.XML



**RYDER SCOTT COMPANY**  
**PETROLEUM CONSULTANTS**

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD    PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:47:21 2022

**BFU GAS FLOOD FIELD**

**UNDISCOUNTED FUTURE NET ABANDONMENT AND RECLAMATION COSTS - (\$M)**

	2022	2023	2024	2025	2026	2027	Remainder	Total Future
Total Proved	-	-	-	-	-	173	16,155	16,328
Total Proved Plus Probable	-	-	-	-	-	173	18,975	19,147

**GROSS 2022 PRODUCTION VOLUMES (COMPANY WORKING INTEREST BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Natural Gas Associated (MMcf)	Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Total Proved	197,711	197,711	-	-	-	-	-	-	-
Total Probable	15,943	15,943	-	-	-	-	-	-	-
Total Proved Plus Probable	213,654	213,654	-	-	-	-	-	-	-

**GROSS 2022 PRODUCTION RATES (COMPANY WORKING INTEREST BEFORE ROYALTIES)**

	Total (BOE/d)	Light and Medium Oil (bbl/d)	Heavy Oil (bbl/d)	Non-Conv. Oil (bbl/d)	Conventional Natural Gas Associated (MMcf/d)	Non-Associated (MMcf/d)	Natural Gas Liquids (bbl/d)	Sulfur (Lt)	Non-Conv. Gas (MMcf/d)
Total Proved	1,292	1,292	-	-	-	-	-	-	-
Total Probable	104	104	-	-	-	-	-	-	-
Total Proved Plus Probable	1,396	1,396	-	-	-	-	-	-	-

GAS: 6.0 MCF/BOE

FILTER: COPL 8415-MID22RSV - 082022.XML



**RYDER SCOTT COMPANY**  
**PETROLEUM CONSULTANTS**



**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:47:21 2022

**COLE CREEK FIELD**

**GROSS RESERVES (COMPANY WORKING INTEREST RESERVES BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Proved Producing	332,074	332,074	-	-	-	-	-	-	-
Proved Non-Producing	158,153	158,153	-	-	-	-	-	-	-
Proved Undeveloped	6,387,225	5,271,653	-	-	3,530	-	527,165	-	-
Total Proved	6,877,451	5,761,880	-	-	3,530	-	527,165	-	-
Total Probable	11,904,245	9,847,080	-	-	6,510	-	972,117	-	-
Total Proved Plus Probable	18,781,697	15,608,960	-	-	10,041	-	1,499,283	-	-

**NET RESERVES (COMPANY RESERVES AFTER ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Proved Producing	253,328	253,328	-	-	-	-	-	-	-
Proved Non-Producing	121,059	121,059	-	-	-	-	-	-	-
Proved Undeveloped	4,857,159	4,008,823	-	-	2,685	-	400,882	-	-
Total Proved	5,231,546	4,383,211	-	-	2,685	-	400,882	-	-
Total Probable	9,119,871	7,543,820	-	-	4,988	-	744,766	-	-
Total Proved Plus Probable	14,351,417	11,927,031	-	-	7,672	-	1,145,648	-	-

**DISCOUNTED NET REVENUE BEFORE TAX - (\$M)**

	0 %	5 %	8 %	10 %	15 %	20 %	Net Unit Value Disc. @ 10 % (\$/boe)
Proved Producing	4,678	4,331	3,965	3,733	3,245	2,880	14.74
Proved Non-Producing	2,108	2,047	1,915	1,815	1,564	1,339	14.99
Proved Undeveloped	160,630	100,375	77,621	66,011	45,200	31,822	13.59
Total Proved	167,416	106,753	83,501	71,560	50,009	36,041	13.68
Total Probable	395,675	233,584	178,189	151,003	103,956	74,776	16.56
Total Proved Plus Probable	563,091	340,337	261,690	222,563	153,965	110,817	15.51

GAS: 6.0 MCF/BOE

FILTER: COPL 8415-MID22RSV - 082022.XML



**RYDER SCOTT COMPANY**  
**PETROLEUM CONSULTANTS**

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:47:21 2022

**COLE CREEK FIELD**

**NET REVENUE (UNDISCOUNTED) BEFORE TAX - (\$M)**

	Revenue	Prod. Taxes, Surcharges & Royalties	Operating Costs	Development Costs	Abandonment Costs	Future Net Revenue
Total Proved	509,775	167,107	82,391	81,967	10,894	167,416
Total Proved Plus Probable	1,420,049	461,194	194,371	183,315	18,077	563,091

**DISCOUNTED NET REVENUE BEFORE TAX BY PRODUCTION GROUP (\$M)**

	Production Group	Disc. @ 10 %	Net Unit Value Disc. @ 10 %	
			(\$/boe)	(\$/Mcfe)
Total Proved	Light and Medium Crude Oil (Including Solution Gas and Products)	71,560	13.68	
	Heavy Oil (Including Solution Gas and Products)	-	-	
	Conventional Natural Gas (Non-Associated and Products)	-		-
	Non-Conventional Oil and Gas (Including Solution Gas and Products)	-	-	
	Total	71,560		
Total Proved Plus Probable	Light and Medium Crude Oil (Including Solution Gas and Products)	222,563	15.51	
	Heavy Oil (Including Solution Gas and Products)	-	-	
	Conventional Natural Gas (Non-Associated and Products)	-		-
	Non-Conventional Oil and Gas (Including Solution Gas and Products)	-	-	
	Total	222,563		

**UNDISCOUNTED FUTURE NET DEVELOPMENT COSTS - (\$M)**

	2022	2023	2024	2025	2026	2027	Remainder	Total Future
Total Proved	-	1,383	-	55,824	24,760	-	-	81,967
Total Proved Plus Probable	-	1,383	-	55,824	53,679	44,763	27,666	183,315

**GROSS UNDEVELOPED RESERVES (COMPANY WORKING INTEREST BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Proved Undeveloped	6,387,225	5,271,653	-	-	3,530	-	527,165	-	-
Probable Undeveloped	11,778,338	9,721,173	-	-	6,510	-	972,117	-	-

GAS: 6.0 MCF/BOE

FILTER: COPL 8415-MID2RSV - 082022.XML



**RYDER SCOTT COMPANY**  
**PETROLEUM CONSULTANTS**

CANADIAN OVERSEAS PETROLEUM LIMITED  
SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

FRI SEP 2 12:47:21 2022

**COLE CREEK FIELD**

**UNDISCOUNTED FUTURE NET ABANDONMENT AND RECLAMATION COSTS - (\$M)**

	2022	2023	2024	2025	2026	2027	Remainder	Total Future
Total Proved	-	-	-	588	601	382	9,322	10,894
Total Proved Plus Probable	-	-	-	588	601	567	16,321	18,077

**GROSS 2022 PRODUCTION VOLUMES (COMPANY WORKING INTEREST BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Natural Gas Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Total Proved	12,707	12,707	-	-	-	-	-	-	-
Total Probable	1,068	1,068	-	-	-	-	-	-	-
Total Proved Plus Probable	13,775	13,775	-	-	-	-	-	-	-

**GROSS 2022 PRODUCTION RATES (COMPANY WORKING INTEREST BEFORE ROYALTIES)**

	Total (BOE/d)	Light and Medium Oil (bbl/d)	Heavy Oil (bbl/d)	Non-Conv. Oil (bbl/d)	Conventional Natural Gas Associated (MMcf/d)	Natural Gas Non-Associated (MMcf/d)	Natural Gas Liquids (bbl/d)	Sulfur (Lt)	Non-Conv. Gas (MMcf/d)
Total Proved	83	83	-	-	-	-	-	-	-
Total Probable	7	7	-	-	-	-	-	-	-
Total Proved Plus Probable	90	90	-	-	-	-	-	-	-

GAS: 6.0 MCF/BOE

FILTER: COPL 8415-MID22RSV - 082022.XML



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**PROPERTY RANKING BY TOTAL PROVED DISCOUNTED FUTURE NET INCOME**  
**CURRENCY : USD    PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

	NET RESERVES		FUTURE NET INCOME (C)		Percent of Total	Cumulative Percent of Total
	Oil (B) (Barrels)	Gas (MMcf)	Undiscounted \$M	Disc. @ 10 % \$M		
<b>CANADIAN OVERSEAS PETROLEUM LIMITED</b>						
BFU GAS FLOOD FIELD, WYOMING	10,185,503	6,692	564,915	181,839	71.356	71.356
COLE CREEK FIELD, WYOMING	4,383,211	2,685	167,416	71,560	28.081	99.437
BFU DAKOTA FIELD, WYOMING	70,682	0	2,331	1,434	0.563	100.000
<b>TOTALS</b>	<b>14,639,396</b>	<b>9,377</b>	<b>734,662</b>	<b>254,833</b>	<b>100.000</b>	<b>100.000</b>

(A) **RESERVE TYPES:** PV = PROVED  
PB = PROBABLE  
PS = POSSIBLE

**STATUS CATEGORIES:** PD = PRODUCING  
BP = BEHIND PIPE  
SI = SHUT IN  
UD = UNDEVELOPED

(B) EXCLUDES PLANT PRODUCTS

(C) BEFORE FEDERAL OR PROVINCIAL INCOME TAXES

FILTER: COPL 8415-MID22RSV - 082022.XML



**RYDER SCOTT COMPANY**  
**PETROLEUM CONSULTANTS**

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**PROPERTY RANKING BY TOTAL PROVED DISCOUNTED FUTURE NET INCOME**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

	<b>WORKING INTEREST RESERVES</b>		<b>FUTURE NET INCOME (C)</b>		Percent of Total	Cumulative Percent of Total
	Oil (B) (Barrels)	Gas (MMcf)	Undiscounted \$M	Disc. @ 10 % \$M		
<b>CANADIAN OVERSEAS PETROLEUM LIMITED</b>						
BFU GAS FLOOD FIELD, WYOMING	13,033,459	8,563	564,915	181,839	71.356	71.356
COLE CREEK FIELD, WYOMING	5,761,880	3,530	167,416	71,560	28.081	99.437
BFU DAKOTA FIELD, WYOMING	90,026	0	2,331	1,434	0.563	100.000
<b>TOTALS</b>	<b>18,885,365</b>	<b>12,093</b>	<b>734,662</b>	<b>254,833</b>	<b>100.000</b>	<b>100.000</b>

(A) **RESERVE TYPES:** PV = PROVED  
PB = PROBABLE  
PS = POSSIBLE

**STATUS CATEGORIES:** PD = PRODUCING  
BP = BEHIND PIPE  
SI = SHUT IN  
UD = UNDEVELOPED

(B) EXCLUDES PLANT PRODUCTS

(C) BEFORE FEDERAL OR PROVINCIAL INCOME TAXES

FILTER: COPL 8415-MID22RSV - 082022.XML

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD    PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:51:03 2022

**TABLE B**  
**PAGE 1 OF 6**

(A) Status	ESTIMATED REMAINING RESERVES										ESTIMATED FUTURE NET INCOME BEFORE TAX - \$M	
	COMPANY WORKING INTEREST					NET					Undiscounted	Discounted @ 10.0 %
Oil (Barrels)	Sales Gas (MMcf)	NGL (B) (Barrels)	Sulphur (Lt)	Total (BOE) (C)	Oil (Barrels)	Sales Gas (MMcf)	NGL (B) (Barrels)	Sulphur (Lt)	Total (BOE) (C)			
PV-PD	90,026	0	0	0	90,026	70,682	0	0	0	70,682	2,331	1,434
PB-PD	27,440	0	0	0	27,440	21,544	0	0	0	21,544	1,051	357
	90,026	0	0	0	90,026	70,682	0	0	0	70,682	2,331	1,434
	27,440	0	0	0	27,440	21,544	0	0	0	21,544	1,051	357
	117,466	0	0	0	117,466	92,226	0	0	0	92,226	3,382	1,791

**BFU GAS FLOOD FIELD**

**BFU GAS FLOOD FIELD,**  
**WYOMING, UNITED STATES**

INCREMENTAL OPEX 2022	PV-PD	0	0	0	0	0	0	0	0	0	0	-429	-421
BFU DEEMED LIABILITY& ARO	PV-PD	0	0	0	0	0	0	0	0	0	0	-1,067	-29
BFU GF SUPPLY GAS CAPEX	PV-PD	0	0	0	0	0	0	0	0	0	0	-40,111	-17,697
BFU GF SUPPLY GAS CAPEX	PV-UD	0	0	0	0	0	0	0	0	0	0	-9,510	-4,920
BFU GF SUPPLY GAS CAPEX	PB-PD	0	0	0	0	0	0	0	0	0	0	-3,683	-2,512
BFU GF SUPPLY GAS CAPEX	PB-UD	0	0	0	0	0	0	0	0	0	0	3,683	2,512
BFU GAS PLANT PHASE 1 UPGRADE	PV-UD	0	0	0	0	0	0	0	0	0	0	-1,958	-1,942
BFU 14-17V (549009369070000)	PV-PD	2,581	0	0	0	2,581	2,017	0	0	0	2,017	110	108
BFU 14-17V (549009369070000)	PV-UD	0	0	0	0	0	0	0	0	0	0	-408	-355
BFU 14-17V (549009369070000)	PB-PD	495	0	0	0	495	387	0	0	0	387	30	30
BFU 14-23V (549009349170000)	PV-PD	54,639	0	0	0	54,639	42,700	0	0	0	42,700	1,996	1,826
BFU 14-23V (549009349170000)	PB-PD	7,188	0	0	0	7,188	5,617	0	0	0	5,617	352	297
BFU 21-35-76 ST A SN 3H (549009295270)	PV-PD	615,559	0	0	0	615,559	481,052	0	0	0	481,052	29,213	15,210
BFU 21-35-76 ST A SN 3H (549009295270)	PV-UD	326,764	0	0	0	326,764	255,362	0	0	0	255,362	20,151	3,514
BFU 21-35-76 ST A SN 3H (549009295270)	PB-PD	100,768	0	0	0	100,768	78,749	0	0	0	78,749	5,260	2,613
BFU 21-35-76 ST A SN 3H (549009295270)	PB-UD	301,499	0	0	0	301,499	235,618	0	0	0	235,618	18,705	3,506
BFU 22-27V (549009346370000)	PV-PD	579,199	0	0	0	579,199	452,638	0	0	0	452,638	26,828	12,705
BFU 22-27V (549009346370000)	PB-PD	140,256	0	0	0	140,256	109,608	0	0	0	109,608	7,622	3,335
BFU 22-29V (549009406530000)	PV-PD	233,792	0	0	0	233,792	182,706	0	0	0	182,706	9,498	3,814
BFU 22-29V (549009406530000)	PB-PD	30,564	0	0	0	30,564	23,886	0	0	0	23,886	1,607	593
BFU 23-14V (549009387020000)	PV-PD	155,254	0	0	0	155,254	121,330	0	0	0	121,330	5,928	4,077
BFU 23-14V (549009387020000)	PB-PD	41,148	0	0	0	41,148	32,156	0	0	0	32,156	1,940	1,227
BFU 23-27V (549009348190000)	PV-PD	447,263	0	0	0	447,263	349,531	0	0	0	349,531	20,553	11,685
BFU 23-27V (549009348190000)	PB-PD	48,908	0	0	0	48,908	38,221	0	0	0	38,221	2,519	1,274
BFU 23-28V (549009379360000)	PV-PD	349,418	0	0	0	349,418	273,066	0	0	0	273,066	14,451	4,505
BFU 23-28V (549009379360000)	PB-PD	17,969	0	0	0	17,969	14,042	0	0	0	14,042	1,016	303
BFU 32-27V (549009408280000)	PV-PD	267,320	0	0	0	267,320	208,907	0	0	0	208,907	9,701	6,621
BFU 32-27V (549009408280000)	PB-PD	14,760	0	0	0	14,760	11,535	0	0	0	11,535	726	463
BFU 34-14V (549009422210000)	PV-PD	132,314	0	0	0	132,314	103,402	0	0	0	103,402	4,535	2,625
BFU 34-20V (549009348180000)	PV-PD	349,566	0	0	0	349,566	273,182	0	0	0	273,182	15,470	7,053
BFU 34-20V (549009348180000)	PB-PD	214,508	0	0	0	214,508	167,635	0	0	0	167,635	11,560	4,800

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:51:07 2022

**TABLE B**  
**PAGE 2 OF 6**

ESTIMATED REMAINING RESERVES												ESTIMATED FUTURE NET	
(A) Status	COMPANY WORKING INTEREST					NET					INCOME BEFORE TAX - \$M		
	Oil (Barrels)	Sales Gas (MMcf)	NGL (B) (Barrels)	Sulphur (Lt)	Total (BOE) (C)	Oil (Barrels)	Sales Gas (MMcf)	NGL (B) (Barrels)	Sulphur (Lt)	Total (BOE) (C)	Undiscounted	Discounted @ 10.0 %	
BFU GAS FLOOD FIELD, WYOMING, UNITED STATES (CONT.)													
BFU 41-30V (549009414060000)	PV-PD	165,580	0	0	0	165,580	129,399	0	0	0	129,399	6,328	3,708
BFU 41-30V (549009414060000)	PB-PD	20,832	0	0	0	20,832	16,280	0	0	0	16,280	1,021	565
BFU 42-19V (549009483860000)	PV-PD	163,075	0	0	0	163,075	127,442	0	0	0	127,442	5,562	2,388
BFU 42-19V (549009483860000)	PB-PD	145,937	0	0	0	145,937	114,049	0	0	0	114,049	7,536	2,838
BFU 42-28V (549009347800000)	PV-PD	240,306	0	0	0	240,306	187,797	0	0	0	187,797	8,474	3,545
BFU 42-28V (549009347800000)	PB-PD	49,205	0	0	0	49,205	38,453	0	0	0	38,453	2,496	1,052
BFU 42-29V (549009455040000)	PV-PD	74,637	0	0	0	74,637	58,328	0	0	0	58,328	1,465	626
BFU 42-29V (549009455040000)	PB-PD	10,953	0	0	0	10,953	8,560	0	0	0	8,560	525	192
BFU 44-17D (549009482840000)	PV-PD	192,655	0	0	0	192,655	150,558	0	0	0	150,558	7,392	2,683
BFU 44-17D (549009482840000)	PV-UD	77,995	0	0	0	77,995	60,952	0	0	0	60,952	3,837	2,026
BFU 44-17D (549009482840000)	PB-PD	61,625	0	0	0	61,625	48,159	0	0	0	48,159	3,259	912
BFU 44-17D (549009482840000)	PB-UD	-18,757	0	0	0	-18,757	-14,658	0	0	0	-14,658	-1,032	-63
BFU 44-19V (549009387790000)	PV-PD	191,467	0	0	0	191,467	149,629	0	0	0	149,629	7,462	2,586
BFU 44-19V (549009387790000)	PB-PD	51,382	0	0	0	51,382	40,155	0	0	0	40,155	2,733	881
BFU 44-21V (549009342330000)	PV-PD	632,103	0	0	0	632,103	493,981	0	0	0	493,981	31,249	13,920
BFU 44-21V (549009342330000)	PB-PD	62,565	0	0	0	62,565	48,894	0	0	0	48,894	3,264	1,676
BFU 44-22V (549009408270000)	PV-PD	342,454	0	0	0	342,454	267,624	0	0	0	267,624	13,557	6,660
BFU 44-22V (549009408270000)	PB-PD	86,383	0	0	0	86,383	67,507	0	0	0	67,507	4,457	2,047
BFU FED 11-28V (549009407510000)	PV-PD	425,181	0	0	0	425,181	332,274	0	0	0	332,274	19,118	7,405
BFU FED 11-28V (549009407510000)	PB-PD	54,712	0	0	0	54,712	42,757	0	0	0	42,757	2,900	1,045
BFU FED 12-20V (549009407500000)	PV-PD	366,516	0	0	0	366,516	286,428	0	0	0	286,428	16,360	7,154
BFU FED 12-20V (549009407500000)	PB-PD	121,084	0	0	0	121,084	94,626	0	0	0	94,626	6,499	2,481
BFU FED 21-21V (549009407520000)	PV-PD	234,999	0	0	0	234,999	183,649	0	0	0	183,649	9,608	4,300
BFU FED 21-21V (549009407520000)	PB-PD	146,398	0	0	0	146,398	114,408	0	0	0	114,408	7,711	2,971
BFU FED 32-21V (549009407530000)	PV-PD	523,869	0	0	0	523,869	409,398	0	0	0	409,398	24,240	11,854
BFU FED 32-21V (549009407530000)	PB-PD	31,060	0	0	0	31,060	24,273	0	0	0	24,273	1,612	718
BFU FED 32-23V (549009348720000)	PV-PD	254,980	0	0	0	254,980	199,264	0	0	0	199,264	10,519	5,237
BFU FED 32-23V (549009348720000)	PB-PD	33,680	0	0	0	33,680	26,320	0	0	0	26,320	1,722	768
BFU FED 33-23V (549009348700000)	PV-PD	377,026	0	0	0	377,026	294,642	0	0	0	294,642	18,026	5,655
BFU FED 33-23V (549009348700000)	PB-PD	50,246	0	0	0	50,246	39,267	0	0	0	39,267	2,751	822
BFU FED 41-20V (549009416870000)	PV-PD	306,155	0	0	0	306,155	239,257	0	0	0	239,257	12,835	7,177
BFU FED 41-20V (549009416870000)	PB-PD	63,901	0	0	0	63,901	49,938	0	0	0	49,938	3,181	1,606
BFU FED 41-22V (549009481610000)	PV-PD	0	0	0	0	0	0	0	0	0	0	-173	-111
BFU FED 11-22V (549009448960000)	PV-PD	508,053	0	0	0	508,053	397,037	0	0	0	397,037	24,584	9,849
BFU FED 11-22V (549009448960000)	PB-PD	99,289	0	0	0	99,289	77,593	0	0	0	77,593	5,547	2,037
BFU FED 34-15V (549009449380000)	PV-PD	268,821	0	0	0	268,821	210,081	0	0	0	210,081	11,259	5,486
BFU FED 34-15V (549009449380000)	PB-PD	72,583	0	0	0	72,583	56,723	0	0	0	56,723	3,753	1,529
BFU FEDERAL 41-34H (549009350950000)	PV-PD	149,522	0	0	0	149,522	116,849	0	0	0	116,849	5,249	2,063
BFU FEDERAL 41-34H (549009350950000)	PB-PD	9,103	0	0	0	9,103	7,114	0	0	0	7,114	451	158
BFU 21-34D (549009473320000)	PV-PD	264,935	0	0	0	264,935	207,044	0	0	0	207,044	11,128	4,588
BFU 21-34D (549009473320000)	PB-PD	15,602	0	0	0	15,602	12,192	0	0	0	12,192	813	307
FEDERAL 12-26 (549009229220002)	PV-PD	322,919	0	0	0	322,919	252,357	0	0	0	252,357	12,381	6,624
FEDERAL 12-26 (549009229220002)	PB-PD	15,691	0	0	0	15,691	12,262	0	0	0	12,262	794	452
BFU GF INJECTORS	PV-PD	0	0	0	0	0	0	0	0	0	0	-13,838	-4,861
BFU GF INJECTORS	PV-UD	0	0	0	0	0	0	0	0	0	0	-11,341	-3,175
BFU GF INJECTORS	PB-PD	0	0	0	0	0	0	0	0	0	0	-1,404	-693
BFU GF INJECTORS	PB-UD	0	0	0	0	0	0	0	0	0	0	-5,591	-1,624

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD    PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:51:07 2022

TABLE B  
PAGE 3 OF 6

		ESTIMATED REMAINING RESERVES										ESTIMATED FUTURE NET	
		COMPANY WORKING INTEREST					NET					INCOME BEFORE TAX - \$M	
(A) Status		Oil (Barrels)	Sales Gas (MMcf)	NGL (B) (Barrels)	Sulphur (Lt)	Total (BOE) (C)	Oil (Barrels)	Sales Gas (MMcf)	NGL (B) (Barrels)	Sulphur (Lt)	Total (BOE) (C)	Undiscounted	Discounted @ 10.0 %
BFU GAS FLOOD FIELD, WYOMING, UNITED STATES (CONT.)													
GAS BLOW DOWN	PV-PD	0	5,641	564,130	0	1,504,347	0	4,409	440,861	0	1,175,630	91,504	4,415
GAS BLOW DOWN	PV-UD	0	2,922	292,163	0	779,101	0	2,283	228,322	0	608,859	16,847	733
GAS BLOW DOWN	PB-PD	0	1,487	148,699	0	396,529	0	1,162	116,206	0	309,883	8,574	536
GAS BLOW DOWN	PB-UD	0	803	80,270	0	214,053	0	627	62,730	0	167,280	4,629	230
BFU 41-16V	PV-UD	145,676	0	0	0	145,676	113,844	0	0	0	113,844	4,012	245
BFU 41-16V	PB-UD	79,695	0	0	0	79,695	62,280	0	0	0	62,280	4,570	1,207
BFU FED 22-35V	PV-UD	195,740	0	0	0	195,740	152,969	0	0	0	152,969	6,576	1,794
BFU FED 22-35V	PB-UD	49,974	0	0	0	49,974	39,054	0	0	0	39,054	2,893	1,093
BFU FED 24-30V	PB-UD	108,145	0	0	0	108,145	84,514	0	0	0	84,514	1,345	-383
BFU FED 41-26V	PV-UD	276,632	0	0	0	276,632	216,185	0	0	0	216,185	11,275	2,486
BFU FED 41-26V	PB-UD	221,696	0	0	0	221,696	173,253	0	0	0	173,253	13,437	3,738
BFU FED 44-26V	PV-UD	126,902	0	0	0	126,902	99,173	0	0	0	99,173	3,128	407
BFU FED 44-26V	PB-UD	37,178	0	0	0	37,178	29,054	0	0	0	29,054	2,125	796
BFU FED NE-17V	PV-UD	221,603	0	0	0	221,603	173,180	0	0	0	173,180	7,927	2,120
BFU FED NE-17V	PB-UD	38,461	0	0	0	38,461	30,057	0	0	0	30,057	2,195	661
BFU FED NW-15V	PV-UD	204,748	0	0	0	204,748	160,008	0	0	0	160,008	7,052	1,071
BFU FED NW-15V	PB-UD	33,393	0	0	0	33,393	26,096	0	0	0	26,096	2,048	323
BFU NW-24	PV-UD	135,262	0	0	0	135,262	105,706	0	0	0	105,706	3,228	81
BFU NW-24	PB-UD	74,421	0	0	0	74,421	58,159	0	0	0	58,159	4,238	1,135
BFU FED NW-25V	PV-UD	110,440	0	0	0	110,440	86,308	0	0	0	86,308	1,857	-390
BFU FED NW-25V	PB-UD	5,400	0	0	0	5,400	4,220	0	0	0	4,220	284	132
BFU NE-15V	PV-UD	334,937	0	0	0	334,937	261,749	0	0	0	261,749	14,260	4,028
BFU NE-15V	PB-UD	38,419	0	0	0	38,419	30,024	0	0	0	30,024	2,072	917
BFU NE-33V	PV-UD	382,275	0	0	0	382,275	298,743	0	0	0	298,743	17,459	4,741
BFU NE-33V	PB-UD	191,710	0	0	0	191,710	149,819	0	0	0	149,819	11,527	3,520
BFU NW-33V	PV-UD	128,978	0	0	0	128,978	100,794	0	0	0	100,794	2,848	-30
BFU NW-33V	PB-UD	72,164	0	0	0	72,164	56,395	0	0	0	56,395	4,012	1,686
BFU SE-16V	PV-UD	527,789	0	0	0	527,789	412,461	0	0	0	412,461	25,831	7,976
BFU SE-16V	PB-UD	175,425	0	0	0	175,425	137,093	0	0	0	137,093	10,465	3,503
BFU SW-29V	PV-UD	365,478	0	0	0	365,478	285,617	0	0	0	285,617	16,006	4,678
BFU SW-29V	PB-UD	13,860	0	0	0	13,860	10,832	0	0	0	10,832	802	399
BFU SW-34V	PV-UD	212,631	0	0	0	212,631	166,169	0	0	0	166,169	7,390	1,767
BFU SW-34V	PB-UD	135,346	0	0	0	135,346	105,772	0	0	0	105,772	8,433	1,737
BFU 21-32V	PB-UD	311,052	0	0	0	311,052	243,083	0	0	0	243,083	13,125	3,293
BFU FED 31-31V	PB-UD	614,730	0	0	0	614,730	480,405	0	0	0	480,405	29,395	11,248
BFU FED 31-35V	PB-UD	129,396	0	0	0	129,396	101,122	0	0	0	101,122	2,928	-188
BFU FEE-FED 31-36H	PB-UD	269,911	0	0	0	269,911	210,932	0	0	0	210,932	9,476	3,204
BFU NE-32V	PB-UD	346,006	0	0	0	346,006	270,400	0	0	0	270,400	14,934	4,393
BFU SE-10V	PB-UD	195,022	0	0	0	195,022	152,407	0	0	0	152,407	6,467	1,048
BFU VIPER FED 42-10H	PB-UD	426,541	0	0	0	426,541	333,337	0	0	0	333,337	17,703	5,118
BFU FED SW-24V	PV-UD	20,664	0	0	0	20,664	16,149	0	0	0	16,149	-1,259	-931
BFU FED SW-25V	PV-UD	13,928	0	0	0	13,928	10,885	0	0	0	10,885	-1,575	-1,185
BFU NW-14V	PV-UD	17,656	0	0	0	17,656	13,798	0	0	0	13,798	-1,405	-1,028
BFU SE-29V	PV-UD	0	0	0	0	0	0	0	0	0	0	-2,119	-1,731
BFU SE-30V	PV-UD	0	0	0	0	0	0	0	0	0	0	-2,525	-2,214
BFU SW-19V	PV-UD	7,471	0	0	0	7,471	5,838	0	0	0	5,838	-1,761	-1,559
BFU SW-19V	PB-UD	0	0	0	0	0	0	0	0	0	0	0	0



**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:51:07 2022

**TABLE B**  
**PAGE 4 OF 6**

	(A) Status	ESTIMATED REMAINING RESERVES										ESTIMATED FUTURE NET INCOME BEFORE TAX - \$M	
		COMPANY WORKING INTEREST					NET					Undiscounted	Discounted @ 10.0 %
		Oil (Barrels)	Sales Gas (MMcf)	NGL (B) (Barrels)	Sulphur (Lt)	Total (BOE) (C)	Oil (Barrels)	Sales Gas (MMcf)	NGL (B) (Barrels)	Sulphur (Lt)	Total (BOE) (C)		
BFU GAS FLOOD FIELD, WYOMING, UNITED STATES (CONT.)													
BFU SW-35V	PV-UD	7,731	0	0	0	7,731	6,042	0	0	0	6,042	-1,873	-1,401
BFU SW-35V	PB-UD	-4	0	0	0	-4	-3	0	0	0	-3	0	0
BFU SW-10V	PB-UD	12,648	0	0	0	12,648	9,884	0	0	0	9,884	-2,051	-1,484
BFU SE-33V	PB-UD	16,849	0	0	0	16,849	13,167	0	0	0	13,167	-1,748	-1,454
WBF SE-25V	PB-UD	5,276	0	0	0	5,276	4,123	0	0	0	4,123	-1,851	-1,646
BFU GAS FLOOD FIELD SUMMARIES													
PROVED PRODUCING		9,192,158	5,641	564,130	0	10,696,505	7,183,569	4,409	440,861	0	8,359,199	430,967	165,034
PROVED UNDEVELOPED		3,841,301	2,922	292,163	0	4,620,403	3,001,934	2,283	228,322	0	3,610,793	133,949	16,806
TOTAL PROVED		13,033,459	8,563	856,293	0	15,316,907	10,185,503	6,692	669,184	0	11,969,992	564,915	181,839
PROBABLE PRODUCING		1,818,795	1,487	148,699	0	2,215,324	1,421,368	1,162	116,206	0	1,731,251	99,145	37,324
PROBABLE UNDEVELOPED		3,885,456	803	80,270	0	4,099,509	3,036,440	627	62,730	0	3,203,721	179,215	48,556
TOTAL PROBABLE		5,704,251	2,290	228,968	0	6,314,833	4,457,808	1,789	178,936	0	4,934,972	278,360	85,880
TOTAL PV + PB		18,737,710	10,853	1,085,262	0	21,631,740	14,643,311	8,481	848,120	0	16,904,964	843,275	267,719

**COLE CREEK FIELD**

**COLE CREEK FIELD,  
WYOMING, UNITED STATES**

COLE CREEK DEEMED LIABILITY CASE	PV-PD	0	0	0	0	0	0	0	0	0	0	-2,175	-915
COLE CREEK 11-22 (549025238090000)	PV-PD	131,305	0	0	0	131,305	100,346	0	0	0	100,346	4,046	2,280
COLE CREEK 11-22 (549025238090000)	PB-PD	39,539	0	0	0	39,539	30,216	0	0	0	30,216	1,584	441
COLE CREEK 12-23 (549009286010000)	PV-PD	15,335	0	0	0	15,335	11,771	0	0	0	11,771	1	115
COLE CREEK 12-23 (549009286010000)	PB-PD	6,125	0	0	0	6,125	4,702	0	0	0	4,702	90	74
COLE CREEK 31-17H (549025234620000)	PV-PD	63,129	0	0	0	63,129	47,347	0	0	0	47,347	1,006	782
COLE CREEK 31-17H (549025234620000)	PB-PD	18,147	0	0	0	18,147	13,610	0	0	0	13,610	523	216
COLE CREEK 4-27 (549025238110000)	PV-PD	57,044	0	0	0	57,044	43,990	0	0	0	43,990	1,054	880
COLE CREEK 4-27 (549025238110000)	PB-PD	22,905	0	0	0	22,905	17,664	0	0	0	17,664	643	294
COLE CREEK 44-22H (549009281400200)	PV-PD	0	0	0	0	0	0	0	0	0	0	-202	-134
COLE CREEK 5-22 (549025238080000)	PV-PD	65,261	0	0	0	65,261	49,874	0	0	0	49,874	1,329	967
COLE CREEK 5-22 (549025238080000)	PB-PD	13,121	0	0	0	13,121	10,027	0	0	0	10,027	429	177
COLE CREEK F12-26G (549009064490000)	PB-PD	0	0	0	0	0	0	0	0	0	0	-185	-115
EVANS FEE F32-27P (549009064470001)	PV-PD	0	0	0	0	0	0	0	0	0	0	-198	-124
FEDERAL 21-26G (549009200430001)	PV-PD	0	0	0	0	0	0	0	0	0	0	-184	-118
COLE CRK 41-27 WDW RECOMPL F2	PV-NP	40,696	0	0	0	40,696	31,383	0	0	0	31,383	546	462
COLE CRK 41-27 WDW RECOMPL F2	PB-NP	6,692	0	0	0	6,692	5,161	0	0	0	5,161	230	144
FEDERAL 10-6 F2 RECOMPL F2	PV-NP	42,405	0	0	0	42,405	33,275	0	0	0	33,275	618	525
FEDERAL 10-6 F2 RECOMPL F2	PB-NP	6,633	0	0	0	6,633	5,205	0	0	0	5,205	245	154
FEDERAL 3-14 RECOMPL F2	PV-NP	33,821	0	0	0	33,821	25,478	0	0	0	25,478	423	369
FEDERAL 3-14 RECOMPL F2	PB-NP	5,596	0	0	0	5,596	4,216	0	0	0	4,216	185	118
SEVEN CROSS FEDERAL 21-9 RECOMPL	PV-NP	41,231	0	0	0	41,231	30,923	0	0	0	30,923	521	458
SEVEN CROSS FEDERAL 21-9 RECOMPL	PB-NP	7,148	0	0	0	7,148	5,361	0	0	0	5,361	225	147
DK SEC 09 LOC 1	PV-UD	265,727	178	26,573	0	321,959	199,295	133	19,930	0	241,469	7,602	3,193
DK SEC 09 LOC 1	PB-UD	56,051	38	5,605	0	67,913	42,039	28	4,204	0	50,935	2,931	1,360
DK SEC 16 LOC 1	PV-UD	265,477	178	26,548	0	321,657	199,108	133	19,911	0	241,243	7,651	3,110
DK SEC 16 LOC 1	PB-UD	55,800	37	5,580	0	67,609	41,850	28	4,185	0	50,707	2,948	1,326

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD    PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:51:07 2022

**TABLE B**  
**PAGE 5 OF 6**

		ESTIMATED REMAINING RESERVES										ESTIMATED FUTURE NET INCOME BEFORE TAX - \$M	
		COMPANY WORKING INTEREST					NET						
(A)		Oil	Sales Gas	NGL (B)	Sulphur	Total	Oil	Sales Gas	NGL (B)	Sulphur	Total	Undiscounted	Discounted @ 10.0 %
Status		(Barrels)	(MMcf)	(Barrels)	(Lt)	(BOE) (C)	(Barrels)	(MMcf)	(Barrels)	(Lt)	(BOE) (C)		
<b>COLE CREEK FIELD, WYOMING, UNITED STATES (CONT.)</b>													
DK SEC 16 LOC 2	PV-UD	265,481	178	26,548	0	321,662	199,111	133	19,911	0	241,246	7,625	3,151
DK SEC 16 LOC 2	PB-UD	56,050	38	5,605	0	67,911	42,037	28	4,204	0	50,933	2,939	1,343
DK SEC 17 LOC 1	PV-UD	265,112	178	26,511	0	321,214	198,834	133	19,883	0	240,911	7,582	3,237
DK SEC 17 LOC 1	PB-UD	56,911	38	5,691	0	68,955	42,684	29	4,268	0	51,716	2,923	1,379
DK SEC 17 LOC 2	PV-UD	264,985	177	26,498	0	321,060	198,739	133	19,874	0	240,795	7,592	3,214
DK SEC 17 LOC 2	PB-UD	56,914	38	5,691	0	68,958	42,686	29	4,269	0	51,719	2,927	1,369
DK SEC 20 LOC 1	PV-UD	132,801	89	13,280	0	160,904	99,601	67	9,960	0	120,678	3,807	1,586
DK SEC 20 LOC 1	PB-UD	28,025	19	2,803	0	33,956	21,019	14	2,102	0	25,467	1,467	676
DK SEC 21 LOC 1	PV-UD	265,970	178	26,597	0	322,254	202,648	136	20,265	0	245,532	7,886	3,244
DK SEC 21 LOC 1	PB-UD	56,292	38	5,629	0	68,205	42,890	29	4,289	0	51,967	2,997	1,356
DK SEC 21 LOC 2	PV-UD	265,970	178	26,597	0	322,254	202,648	136	20,265	0	245,532	7,993	3,117
DK SEC 21 LOC 2	PB-UD	56,057	38	5,606	0	67,920	42,711	29	4,271	0	51,750	3,032	1,300
DK SEC 25 LOC1	PV-UD	267,958	179	26,796	0	324,662	220,521	148	22,052	0	267,187	9,288	3,675
DK SEC 25 LOC1	PB-UD	56,516	38	5,652	0	68,475	46,511	31	4,651	0	56,353	3,313	1,407
F2_SEC 16 LOC 1	PV-UD	283,098	190	28,310	0	343,006	212,323	142	21,232	0	257,255	8,495	3,640
F2_SEC 16 LOC 1	PB-UD	93,346	63	9,335	0	113,100	70,010	47	7,001	0	84,825	4,914	2,269
F2_SEC 16 LOC 2	PV-UD	282,851	189	28,285	0	342,708	212,139	142	21,214	0	257,031	8,519	3,591
F2_SEC 16 LOC 2	PB-UD	93,347	63	9,335	0	113,101	70,010	47	7,001	0	84,826	4,928	2,240
F2_SEC 21 LOC 1	PV-UD	283,098	190	28,310	0	343,006	215,698	144	21,570	0	261,344	8,827	3,642
F2_SEC 21 LOC 1	PB-UD	93,582	63	9,358	0	113,385	71,302	48	7,130	0	86,391	5,039	2,233
F2_SEC 22 LOC 1	PV-UD	283,829	190	28,383	0	343,892	216,907	145	21,691	0	262,809	8,981	3,543
F2_SEC 22 LOC 1	PB-UD	92,739	62	9,274	0	112,364	70,873	47	7,087	0	85,871	5,106	2,161
F2_SEC 22 LOC 2	PV-UD	283,589	190	28,359	0	343,601	216,724	145	21,672	0	262,586	9,005	3,495
F2_SEC 22 LOC 2	PB-UD	92,735	62	9,273	0	112,359	70,870	47	7,087	0	85,867	5,119	2,132
F2_SEC 26 LOC 1	PV-UD	256,429	172	25,643	0	310,694	192,405	129	19,240	0	233,121	7,882	3,079
F2_SEC 26 LOC 1	PB-UD	84,553	57	8,455	0	102,445	63,442	42	6,344	0	76,867	4,535	1,908
F2_SEC 26 LOC 2	PV-UD	256,206	172	25,621	0	310,423	192,237	129	19,224	0	232,918	7,904	3,038
F2_SEC 26 LOC 2	PB-UD	84,554	57	8,455	0	102,447	63,443	42	6,344	0	76,868	4,547	1,883
F2_SEC 26 LOC 3	PV-UD	256,542	172	25,654	0	310,830	192,489	129	19,249	0	233,223	7,767	3,229
F2_SEC 26 LOC 3	PB-UD	83,994	56	8,399	0	101,768	63,022	42	6,302	0	76,359	4,479	2,004
F2_SEC 27 LOC 1	PV-UD	275,744	185	27,574	0	334,097	212,646	142	21,265	0	257,645	8,718	3,793
F2_SEC 27 LOC 1	PB-UD	90,097	60	9,010	0	109,163	69,480	47	6,948	0	84,183	4,922	2,284
F2_SEC 27 LOC 2	PV-UD	275,511	185	27,551	0	333,814	212,465	142	21,247	0	257,427	8,741	3,741
F2_SEC 27 LOC 2	PB-UD	90,910	61	9,091	0	110,148	70,107	47	7,011	0	84,943	4,935	2,254
F2_SEC 27 LOC 3	PV-UD	275,275	184	27,528	0	333,528	212,284	142	21,228	0	257,207	8,767	3,692
F2_SEC 27 LOC 3	PB-UD	90,913	61	9,091	0	110,152	70,109	47	7,011	0	84,946	4,949	2,225
DK SEC 15 LOC 1	PB-UD	322,503	216	32,250	0	390,751	247,582	166	24,758	0	299,974	11,253	4,332
DK SEC 22 LOC 1	PB-UD	322,381	216	32,238	0	390,602	246,370	165	24,637	0	298,506	11,182	4,268
DK SEC 22 LOC 2	PB-UD	322,381	216	32,238	0	390,602	246,370	165	24,637	0	298,506	11,182	4,268
DK SEC 03 LOC 2	PB-UD	283,308	190	28,331	0	343,261	223,474	150	22,347	0	270,765	10,468	3,830
DK SEC 04 LOC 1	PB-UD	281,187	188	28,119	0	340,691	210,890	141	21,089	0	255,518	9,409	3,671
DK SEC 10 LOC 1	PB-UD	322,984	216	32,298	0	391,332	253,446	170	25,345	0	307,080	11,676	4,541
DK SEC 03 LOC 1	PB-UD	283,103	190	28,310	0	343,013	223,312	150	22,331	0	270,569	10,290	4,069
DK SEC 10 LOC 2	PB-UD	323,334	217	32,333	0	391,757	253,721	170	25,372	0	307,413	11,859	4,300
DK SEC 04 LOC 2	PB-UD	281,510	189	28,151	0	341,083	211,133	141	21,113	0	255,812	9,559	3,479
F2_SEC 10 LOC 3	PB-UD	377,285	253	37,729	0	457,125	296,057	198	29,606	0	358,708	15,434	5,500
F2_SEC 15 LOC 2	PB-UD	376,444	252	37,644	0	456,106	288,991	194	28,899	0	350,147	14,905	5,270

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

FRI SEP 2 12:51:07 2022

**TABLE B**  
**PAGE 6 OF 6**

	(A) Status	ESTIMATED REMAINING RESERVES										ESTIMATED FUTURE NET INCOME BEFORE TAX - \$M	
		COMPANY WORKING INTEREST					NET					Undiscounted	Discounted @ 10.0 %
		Oil (Barrels)	Sales Gas (MMcf)	NGL (B) (Barrels)	Sulphur (Lt)	Total (BOE) (C)	Oil (Barrels)	Sales Gas (MMcf)	NGL (B) (Barrels)	Sulphur (Lt)	Total (BOE) (C)		
COLE CREEK FIELD, WYOMING, UNITED STATES (CONT.)													
F2_SEC 15 LOC 3	PB-UD	377,043	253	37,704	0	456,832	289,451	194	28,945	0	350,704	14,933	5,194
F2_SEC 10 LOC 1	PB-UD	377,406	253	37,741	0	457,271	296,151	198	29,615	0	358,822	15,415	5,580
F2_SEC 15 LOC 1	PB-UD	376,568	252	37,657	0	456,256	289,086	194	28,909	0	350,262	14,897	5,312
F2_SEC 21 LOC 3	PB-UD	376,572	252	37,657	0	456,261	286,918	192	28,692	0	347,635	14,492	5,436
F2_SEC 20 LOC 1	PB-UD	188,101	126	18,810	0	227,907	141,076	94	14,108	0	170,930	7,145	2,625
F2_SEC 21 LOC 2	PB-UD	376,328	252	37,633	0	455,965	286,732	192	28,673	0	347,410	14,701	5,196
F2_SEC 16 LOC 3	PB-UD	375,825	252	37,582	0	455,356	281,869	189	28,187	0	341,517	13,829	5,657
F2_SEC 17 LOC 1	PB-UD	376,448	252	37,645	0	456,111	282,336	189	28,234	0	342,083	14,144	5,260
F2_SEC 08 LOC 1	PB-UD	282,694	189	28,269	0	342,516	218,218	146	21,822	0	264,397	11,432	3,792
F2_SEC 09 LOC 1	PB-UD	375,829	252	37,583	0	455,361	281,872	189	28,187	0	341,520	14,349	5,105
F2_SEC 10 LOC 2	PB-UD	377,406	253	37,741	0	457,271	296,151	198	29,615	0	358,822	15,420	5,541
F2_SEC 28 LOC 1	PB-UD	235,988	158	23,599	0	285,928	178,783	120	17,878	0	216,617	8,646	3,716
F2_SEC 08 LOC 2	PB-UD	282,961	189	28,296	0	342,840	218,425	146	21,842	0	264,647	11,460	3,739
F2_SEC 09 LOC 2	PB-UD	376,199	252	37,620	0	455,809	282,149	189	28,215	0	341,856	14,675	4,562
COLE CREEK FIELD SUMMARIES													
PROVED PRODUCING		332,074	0	0	0	332,074	253,328	0	0	0	253,328	4,678	3,733
PROVED NON-PRODUCING		158,153	0	0	0	158,153	121,059	0	0	0	121,059	2,108	1,815
PROVED UNDEVELOPED		5,271,653	3,530	527,165	0	6,387,225	4,008,823	2,685	400,882	0	4,857,159	160,630	66,011
TOTAL PROVED		5,761,880	3,530	527,165	0	6,877,451	4,383,211	2,685	400,882	0	5,231,546	167,416	71,560
PROBABLE PRODUCING		99,837	0	0	0	99,837	76,219	0	0	0	76,219	3,083	1,089
PROBABLE NON-PRODUCING		26,070	0	0	0	26,070	19,943	0	0	0	19,943	885	564
PROBABLE UNDEVELOPED		9,721,173	6,510	972,117	0	11,778,338	7,447,658	4,988	744,766	0	9,023,709	391,708	149,351
TOTAL PROBABLE		9,847,080	6,510	972,117	0	11,904,245	7,543,820	4,988	744,766	0	9,119,871	395,675	151,003
TOTAL PV + PB		15,608,960	10,041	1,499,283	0	18,781,697	11,927,031	7,672	1,145,648	0	14,351,417	563,091	222,563
WYOMING SUMMARIES													
PROVED PRODUCING		9,614,258	5,641	564,130	0	11,118,604	7,507,579	4,409	440,861	0	8,683,209	437,975	170,201
PROVED NON-PRODUCING		158,153	0	0	0	158,153	121,059	0	0	0	121,059	2,108	1,815
PROVED UNDEVELOPED		9,112,954	6,452	819,328	0	11,007,628	7,010,757	4,968	629,205	0	8,467,952	294,579	82,817
TOTAL PROVED		18,885,365	12,093	1,383,458	0	22,284,384	14,639,396	9,377	1,070,066	0	17,272,220	734,662	254,833
PROBABLE PRODUCING		1,946,073	1,487	148,699	0	2,342,602	1,519,132	1,162	116,206	0	1,829,015	103,278	38,770
PROBABLE NON-PRODUCING		26,070	0	0	0	26,070	19,943	0	0	0	19,943	885	564
PROBABLE UNDEVELOPED		13,606,629	7,313	1,052,387	0	15,877,847	10,484,098	5,615	807,496	0	12,227,430	570,923	197,906
TOTAL PROBABLE		15,578,771	8,800	1,201,086	0	18,246,519	12,023,173	6,777	923,702	0	14,076,387	675,086	237,240
TOTAL PV + PB		34,464,135	20,893	2,584,544	0	40,530,903	26,662,569	16,154	1,993,768	0	31,348,608	1,409,748	492,073

(A) RESERVE TYPES: PV = PROVED  
PB = PROBABLE  
PS = POSSIBLE

PV + PB = PROVED + PROBABLE

PV + PB + PS = PROVED + PROBABLE + POSSIBLE

STATUS: PD = PRODUCING  
NP = NON-PRODUCING  
UD = UNDEVELOPED

SI = SHUT IN  
BP = BEHIND PIPE  
DP = DEPLETED

(B) TOTAL NGL = CONDENSATE + PENTANES PLUS + BUTANE + PROPANE + ETHANE

(C) BOE CONVERSION FACTORS:

OIL: 1.0 BBL/BOE  
GAS: 6.0 MCF/BOE

COND: 1.0 BBL/BOE  
BUT: 1.0 BBL/BOE

PROP: 1.0 BBL/BOE  
SUL: 0.0 LT/BOE

FILTER: COPL 8415-MID22RSV - 082022.XML



FRI SEP 2 12:20:30 2022

FILTER: COPL 8415-MID22RSV - 082022.XM

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

**CANADIAN OVERSEAS PETROLEUM LIMITED****GRAND SUMMARY**

**TOTAL PV+PB**  
**ALL CATEGORIES**

**DEDUCTIONS - CAPITAL COSTS - \$M**

Year	Undiscounted			Discounted @ 10 %		
	Invest	Aband	Total	Invest	Aband	Total
2022	6,423	0	6,423	6,124	0	6,124
2023	30,645	0	30,645	26,562	0	26,562
2024	27,449	0	27,449	21,629	0	21,629
2025	88,209	588	88,797	63,189	421	63,610
2026	63,382	601	63,984	41,276	392	41,668
2027	44,763	740	45,503	26,501	438	26,939
2028	9,520	0	9,520	5,124	0	5,124
2029	18,146	0	18,146	8,878	0	8,878
2030	-	0	0	-	0	0
2031	-	0	0	-	0	0
2032	-	0	0	-	0	0
2033	-	0	0	-	0	0
2034	-	198	198	-	60	60
2035	-	319	319	-	88	88
2036	-	0	0	-	0	0
2037	-	0	0	-	0	0
2038	-	0	0	-	0	0
2039	-	0	0	-	0	0
2040	-	215	215	-	37	37
2041	-	490	490	-	76	76
2042	-	811	811	-	115	115
2043	-	0	0	-	0	0
2044	-	0	0	-	0	0
2045	-	540	540	-	58	58
2046	-	253	253	-	25	25
2047	-	0	0	-	0	0
2048	-	0	0	-	0	0
2049	852	0	852	62	0	62
2050	26,085	556	26,641	1,725	37	1,761
2051	-	256	256	-	15	15
2052	-	848	848	-	46	46
2053	-	256	256	-	13	13
2054	-	5,156	5,156	-	233	233
2055	-	256	256	-	10	10
2056	-	0	0	-	0	0
2057	-	256	256	-	9	9
2058	-	0	0	-	0	0
2059	-	1,533	1,533	-	43	43
2060	-	256	256	-	7	7
2061	-	511	511	-	12	12
2062	-	1,323	1,323	-	28	28
2063	-	1,278	1,278	-	24	24
2064	-	767	767	-	13	13
2065	-	6,923	6,923	-	110	110
2066	-	2,532	2,532	-	36	36
2067	-	1,638	1,638	-	21	21
2068	-	2,614	2,614	-	31	31
2069	-	1,906	1,906	-	21	21
2070	-	1,352	1,352	-	13	13
2071	-	2,329	2,329	-	21	21
2072	-	225	225	-	2	2
	315,473	37,525	352,999	201,070	2,454	203,524



FRI SEP 2 12:20:30 2022

FILTER: COPL 8415-MID22RSV - 082022.XM

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
**CURRENCY : USD    PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

**CANADIAN OVERSEAS PETROLEUM LIMITED****GRAND SUMMARY****TOTAL PROVED  
ALL CATEGORIES****DEDUCTIONS - CAPITAL COSTS - \$M**

Year	Undiscounted			Discounted @ 10 %		
	Invest	Aband	Total	Invest	Aband	Total
2022	6,423	0	6,423	6,124	0	6,124
2023	28,988	0	28,988	25,127	0	25,127
2024	16,567	0	16,567	13,055	0	13,055
2025	81,372	588	81,960	58,291	421	58,712
2026	27,435	601	28,036	17,866	392	18,258
2027	-	554	554	-	328	328
2028	-	0	0	-	0	0
2029	-	0	0	-	0	0
2030	-	0	0	-	0	0
2031	-	0	0	-	0	0
2032	-	0	0	-	0	0
2033	-	197	197	-	66	66
2034	-	0	0	-	0	0
2035	-	319	319	-	88	88
2036	-	0	0	-	0	0
2037	-	202	202	-	46	46
2038	-	0	0	-	0	0
2039	-	0	0	-	0	0
2040	-	998	998	-	171	171
2041	-	0	0	-	0	0
2042	-	274	274	-	39	39
2043	-	0	0	-	0	0
2044	-	0	0	-	0	0
2045	-	786	786	-	84	84
2046	-	286	286	-	28	28
2047	-	0	0	-	0	0
2048	-	0	0	-	0	0
2049	852	601	1,453	62	44	106
2050	26,085	556	26,641	1,725	37	1,761
2051	-	256	256	-	15	15
2052	-	256	256	-	14	14
2053	-	256	256	-	13	13
2054	-	4,345	4,345	-	196	196
2055	-	0	0	-	0	0
2056	-	301	301	-	11	11
2057	-	767	767	-	26	26
2058	-	556	556	-	17	17
2059	-	767	767	-	21	21
2060	-	1,278	1,278	-	33	33
2061	-	3,016	3,016	-	70	70
2062	-	1,969	1,969	-	41	41
2063	-	2,504	2,504	-	48	48
2064	-	1,157	1,157	-	20	20
2065	-	3,606	3,606	-	57	57
2066	-	0	0	-	0	0
2067	-	256	256	-	3	3
2068	-	0	0	-	0	0
2069	-	272	272	-	3	3
2070	-	0	0	-	0	0
2071	-	0	0	-	0	0
2072	-	0	0	-	0	0
	187,721	27,522	215,244	122,249	2,332	124,581



FRI SEP 2 12:20:30 2022

FILTER: COPL 8415-MID22RSV - 082022.XM

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

**CANADIAN OVERSEAS PETROLEUM LIMITED****GRAND SUMMARY****PROVED  
PRODUCING****DEDUCTIONS - CAPITAL COSTS - \$M**

Year	Undiscounted			Discounted @ 10 %		
	Invest	Aband	Total	Invest	Aband	Total
2022	4,465	0	4,465	4,257	0	4,257
2023	10,113	0	10,113	8,766	0	8,766
2024	9,426	0	9,426	7,427	0	7,427
2025	1,499	588	2,087	1,074	421	1,495
2026	956	601	1,557	622	392	1,014
2027	-	554	554	-	328	328
2028	-	0	0	-	0	0
2029	-	0	0	-	0	0
2030	-	0	0	-	0	0
2031	-	0	0	-	0	0
2032	-	0	0	-	0	0
2033	-	197	197	-	66	66
2034	-	0	0	-	0	0
2035	-	319	319	-	88	88
2036	-	0	0	-	0	0
2037	-	202	202	-	46	46
2038	-	0	0	-	0	0
2039	-	0	0	-	0	0
2040	-	0	0	-	0	0
2041	-	0	0	-	0	0
2042	-	274	274	-	39	39
2043	-	0	0	-	0	0
2044	-	0	0	-	0	0
2045	-	786	786	-	84	84
2046	-	286	286	-	28	28
2047	-	0	0	-	0	0
2048	-	0	0	-	0	0
2049	852	601	1,453	62	44	106
2050	21,585	556	22,141	1,427	37	1,464
2051	-	256	256	-	15	15
2052	-	0	0	-	0	0
2053	-	256	256	-	13	13
2054	-	2,300	2,300	-	104	104
2055	-	0	0	-	0	0
2056	-	301	301	-	11	11
2057	-	511	511	-	17	17
2058	-	556	556	-	17	17
2059	-	511	511	-	14	14
2060	-	767	767	-	20	20
2061	-	1,022	1,022	-	24	24
2062	-	511	511	-	11	11
2063	-	256	256	-	5	5
2064	-	511	511	-	9	9
2065	-	2,073	2,073	-	33	33
2066	-	0	0	-	0	0
2067	-	256	256	-	3	3
2068	-	0	0	-	0	0
2069	-	272	272	-	3	3
2070	-	0	0	-	0	0
2071	-	0	0	-	0	0
2072	-	0	0	-	0	0
	48,895	15,322	64,217	23,636	1,871	25,506



FRI SEP 2 12:20:30 2022

FILTER: COPL 8415-MID22RSV - 082022.XM

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

**CANADIAN OVERSEAS PETROLEUM LIMITED****GRAND SUMMARY****PROVED  
NON-PRODUCING****DEDUCTIONS - CAPITAL COSTS - \$M**

Year	Undiscounted			Discounted @ 10 %		
	Invest	Aband	Total	Invest	Aband	Total
2022	-	0	0	-	0	0
2023	1,383	0	1,383	1,199	0	1,199
2024	-	0	0	-	0	0
2025	-	0	0	-	0	0
2026	-	0	0	-	0	0
2027	-	0	0	-	0	0
2028	-	0	0	-	0	0
2029	-	0	0	-	0	0
2030	-	0	0	-	0	0
2031	-	0	0	-	0	0
2032	-	0	0	-	0	0
2033	-	0	0	-	0	0
2034	-	0	0	-	0	0
2035	-	0	0	-	0	0
2036	-	0	0	-	0	0
2037	-	0	0	-	0	0
2038	-	0	0	-	0	0
2039	-	0	0	-	0	0
2040	-	998	998	-	171	171
2041	-	0	0	-	0	0
2042	-	0	0	-	0	0
2043	-	0	0	-	0	0
2044	-	0	0	-	0	0
2045	-	0	0	-	0	0
2046	-	0	0	-	0	0
2047	-	0	0	-	0	0
2048	-	0	0	-	0	0
2049	-	0	0	-	0	0
2050	-	0	0	-	0	0
2051	-	0	0	-	0	0
2052	-	0	0	-	0	0
2053	-	0	0	-	0	0
2054	-	0	0	-	0	0
2055	-	0	0	-	0	0
2056	-	0	0	-	0	0
2057	-	0	0	-	0	0
2058	-	0	0	-	0	0
2059	-	0	0	-	0	0
2060	-	0	0	-	0	0
2061	-	0	0	-	0	0
2062	-	0	0	-	0	0
2063	-	0	0	-	0	0
2064	-	0	0	-	0	0
2065	-	0	0	-	0	0
2066	-	0	0	-	0	0
2067	-	0	0	-	0	0
2068	-	0	0	-	0	0
2069	-	0	0	-	0	0
2070	-	0	0	-	0	0
2071	-	0	0	-	0	0
2072	-	0	0	-	0	0
	1,383	998	2,381	1,199	171	1,370



FRI SEP 2 12:20:30 2022

FILTER: COPL 8415-MID22RSV - 082022.XM

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

**CANADIAN OVERSEAS PETROLEUM LIMITED****GRAND SUMMARY****PROVED  
UNDEVELOPED****DEDUCTIONS - CAPITAL COSTS - \$M**

Year	Undiscounted			Discounted @ 10 %		
	Invest	Aband	Total	Invest	Aband	Total
2022	1,958	0	1,958	1,866	0	1,866
2023	17,492	0	17,492	15,162	0	15,162
2024	7,142	0	7,142	5,627	0	5,627
2025	79,873	0	79,873	57,217	0	57,217
2026	26,479	0	26,479	17,244	0	17,244
2027	-	0	0	-	0	0
2028	-	0	0	-	0	0
2029	-	0	0	-	0	0
2030	-	0	0	-	0	0
2031	-	0	0	-	0	0
2032	-	0	0	-	0	0
2033	-	0	0	-	0	0
2034	-	0	0	-	0	0
2035	-	0	0	-	0	0
2036	-	0	0	-	0	0
2037	-	0	0	-	0	0
2038	-	0	0	-	0	0
2039	-	0	0	-	0	0
2040	-	0	0	-	0	0
2041	-	0	0	-	0	0
2042	-	0	0	-	0	0
2043	-	0	0	-	0	0
2044	-	0	0	-	0	0
2045	-	0	0	-	0	0
2046	-	0	0	-	0	0
2047	-	0	0	-	0	0
2048	-	0	0	-	0	0
2049	-	0	0	-	0	0
2050	4,500	0	4,500	298	0	298
2051	-	0	0	-	0	0
2052	-	256	256	-	14	14
2053	-	0	0	-	0	0
2054	-	2,045	2,045	-	92	92
2055	-	0	0	-	0	0
2056	-	0	0	-	0	0
2057	-	256	256	-	9	9
2058	-	0	0	-	0	0
2059	-	256	256	-	7	7
2060	-	511	511	-	13	13
2061	-	1,994	1,994	-	46	46
2062	-	1,458	1,458	-	31	31
2063	-	2,249	2,249	-	43	43
2064	-	646	646	-	11	11
2065	-	1,533	1,533	-	24	24
2066	-	0	0	-	0	0
2067	-	0	0	-	0	0
2068	-	0	0	-	0	0
2069	-	0	0	-	0	0
2070	-	0	0	-	0	0
2071	-	0	0	-	0	0
2072	-	0	0	-	0	0
	137,443	11,202	148,645	97,414	291	97,705





FRI SEP 2 12:20:30 2022

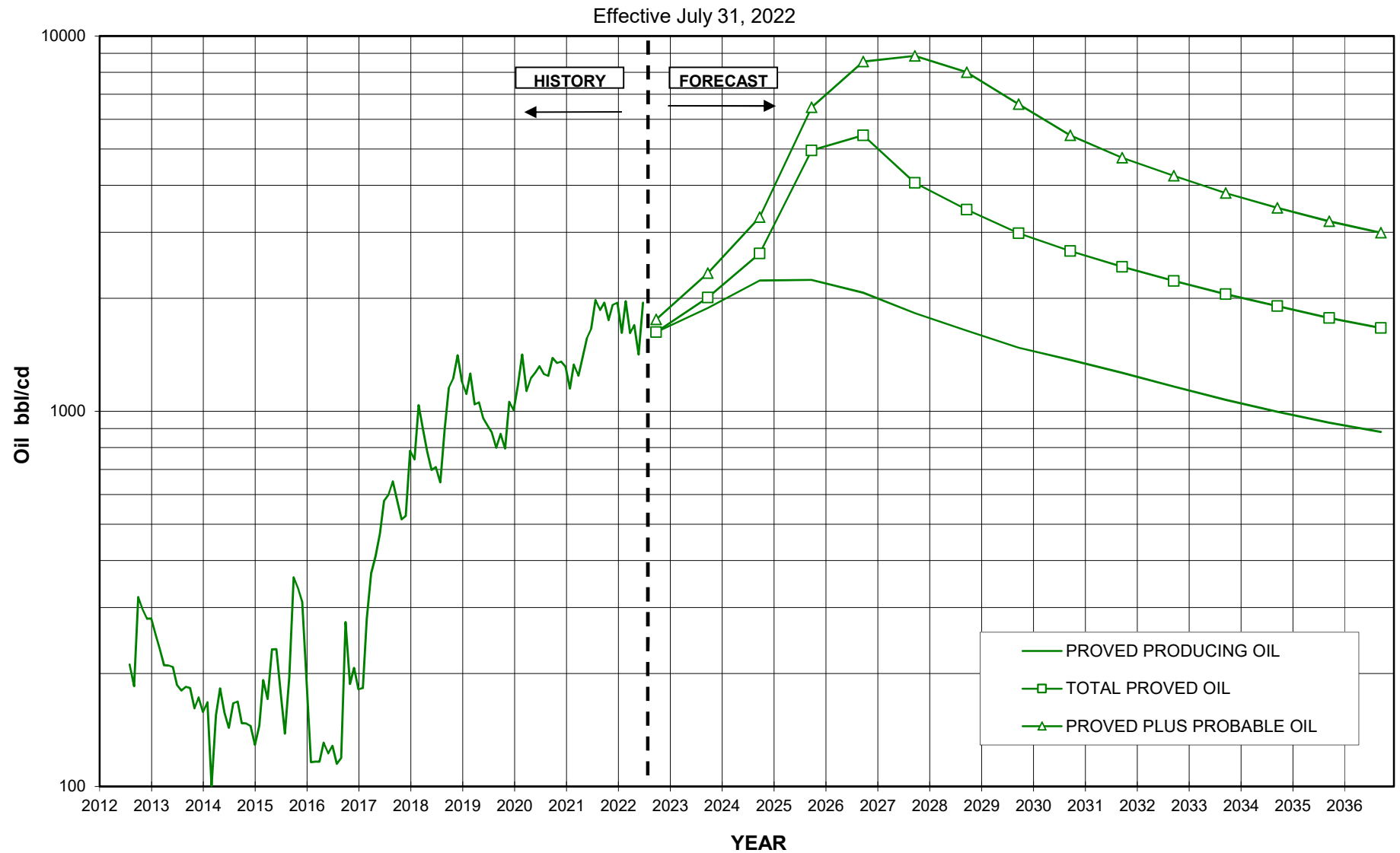
FILTER: COPL 8415-MID22RSV - 082022.XM

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

**CANADIAN OVERSEAS PETROLEUM LIMITED****GRAND SUMMARY****TOTAL PROBABLE  
ALL CATEGORIES****DEDUCTIONS - CAPITAL COSTS - \$M**

Year	Undiscounted			Discounted @ 10 %		
	Invest	Aband	Total	Invest	Aband	Total
2022	-	0	0	-	0	0
2023	1,656	0	1,656	1,436	0	1,436
2024	10,881	0	10,881	8,574	0	8,574
2025	6,838	0	6,838	4,898	0	4,898
2026	35,947	0	35,947	23,410	0	23,410
2027	44,763	185	44,949	26,501	110	26,611
2028	9,520	0	9,520	5,124	0	5,124
2029	18,146	0	18,146	8,878	0	8,878
2030	-	0	0	-	0	0
2031	-	0	0	-	0	0
2032	-	0	0	-	0	0
2033	-	-197	-197	-	-66	-66
2034	-	198	198	-	60	60
2035	-	0	0	-	0	0
2036	-	0	0	-	0	0
2037	-	-202	-202	-	-46	-46
2038	-	0	0	-	0	0
2039	-	0	0	-	0	0
2040	-	-783	-783	-	-134	-134
2041	-	490	490	-	76	76
2042	-	537	537	-	76	76
2043	-	0	0	-	0	0
2044	-	0	0	-	0	0
2045	-	-246	-246	-	-26	-26
2046	-	-33	-33	-	-3	-3
2047	-	0	0	-	0	0
2048	-	0	0	-	0	0
2049	-	-601	-601	-	-44	-44
2050	-	0	0	-	0	0
2051	-	0	0	-	0	0
2052	-	593	593	-	32	32
2053	-	0	0	-	0	0
2054	-	812	812	-	37	37
2055	-	256	256	-	10	10
2056	-	-301	-301	-	-11	-11
2057	-	-511	-511	-	-17	-17
2058	-	-556	-556	-	-17	-17
2059	-	767	767	-	21	21
2060	-	-1,022	-1,022	-	-26	-26
2061	-	-2,505	-2,505	-	-58	-58
2062	-	-646	-646	-	-14	-14
2063	-	-1,226	-1,226	-	-23	-23
2064	-	-390	-390	-	-7	-7
2065	-	3,316	3,316	-	52	52
2066	-	2,532	2,532	-	36	36
2067	-	1,383	1,383	-	18	18
2068	-	2,614	2,614	-	31	31
2069	-	1,635	1,635	-	18	18
2070	-	1,352	1,352	-	13	13
2071	-	2,329	2,329	-	21	21
2072	-	225	225	-	2	2
	127,752	10,003	137,755	78,821	122	78,943

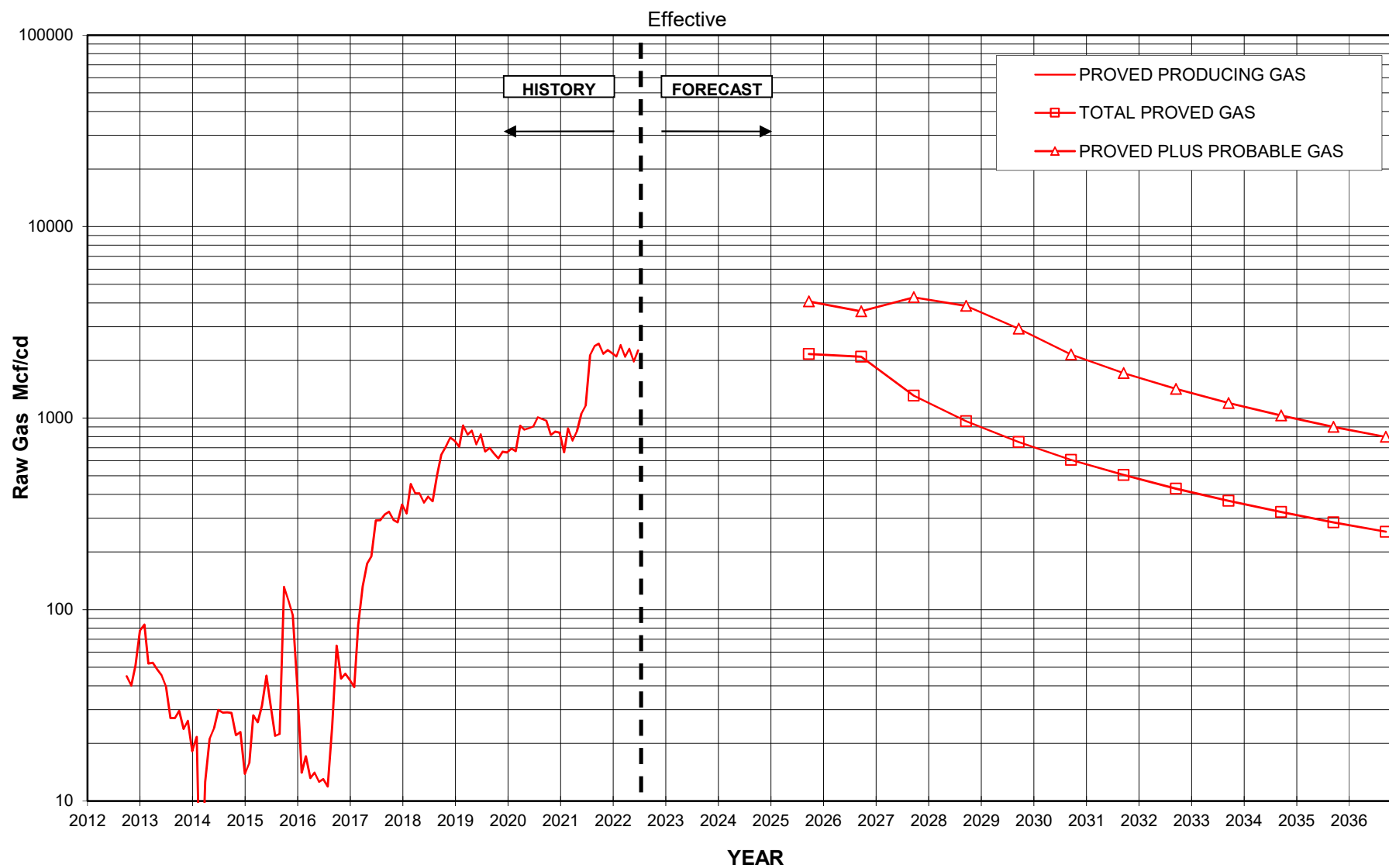
# **CANADIAN OVERSEAS PETROLEUM LIMITED** **PROPERTY GROSS OIL PRODUCTION HISTORY AND FORECAST**



\* Plotted forecast values reflect the yearly average calendar daily rate.

# CANADIAN PETROLEUM OVERSEAS LIMITED

## PROPERTY GROSS GAS PRODUCTION HISTORY AND FORECAST



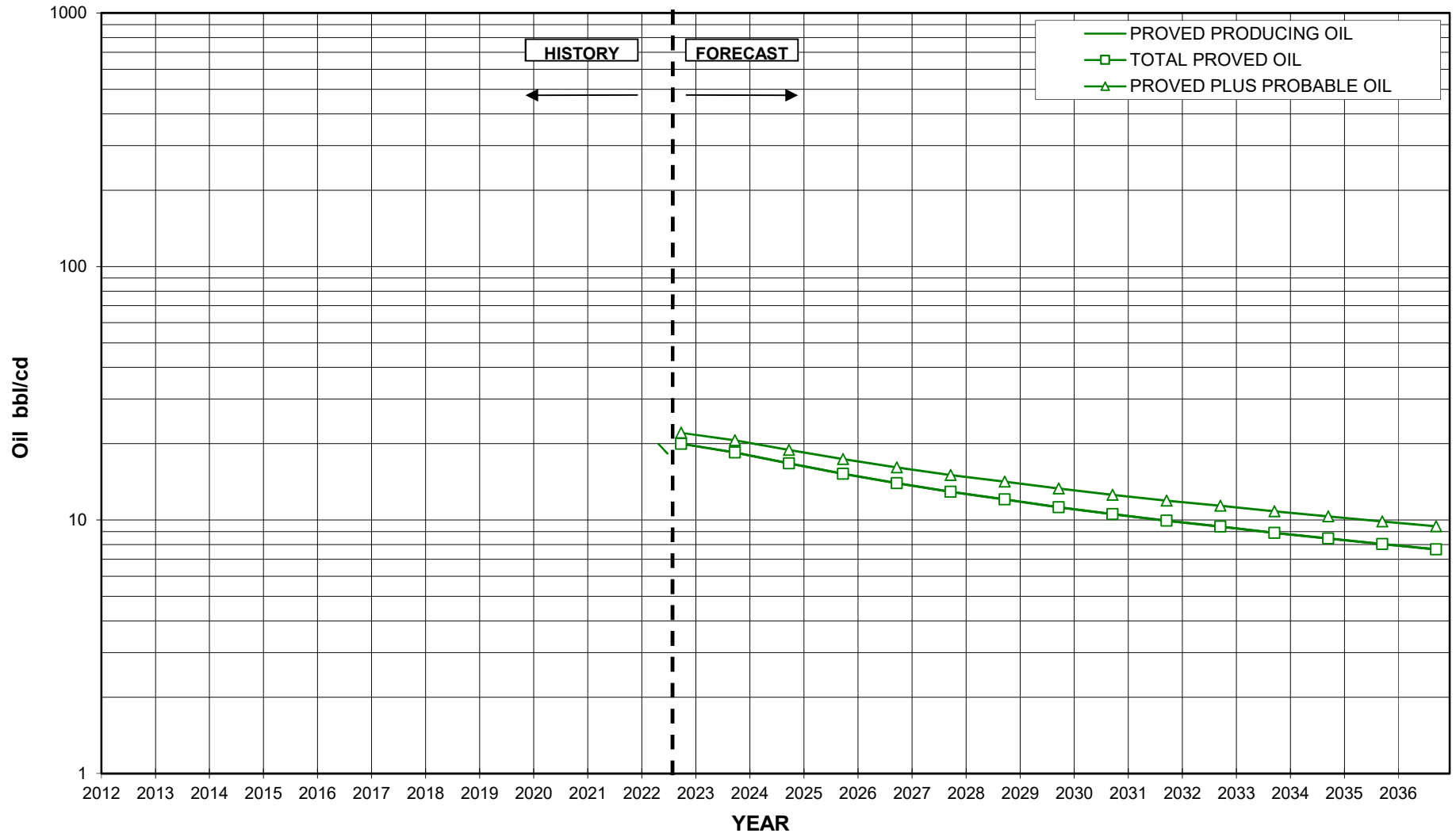
\* Plotted forecast values reflect the yearly average calendar daily rate.

# CANADIAN OVERSEAS PETROLEUM LIMITED

## PROPERTY GROSS OIL PRODUCTION HISTORY AND FORECAST

### BFU Dakota

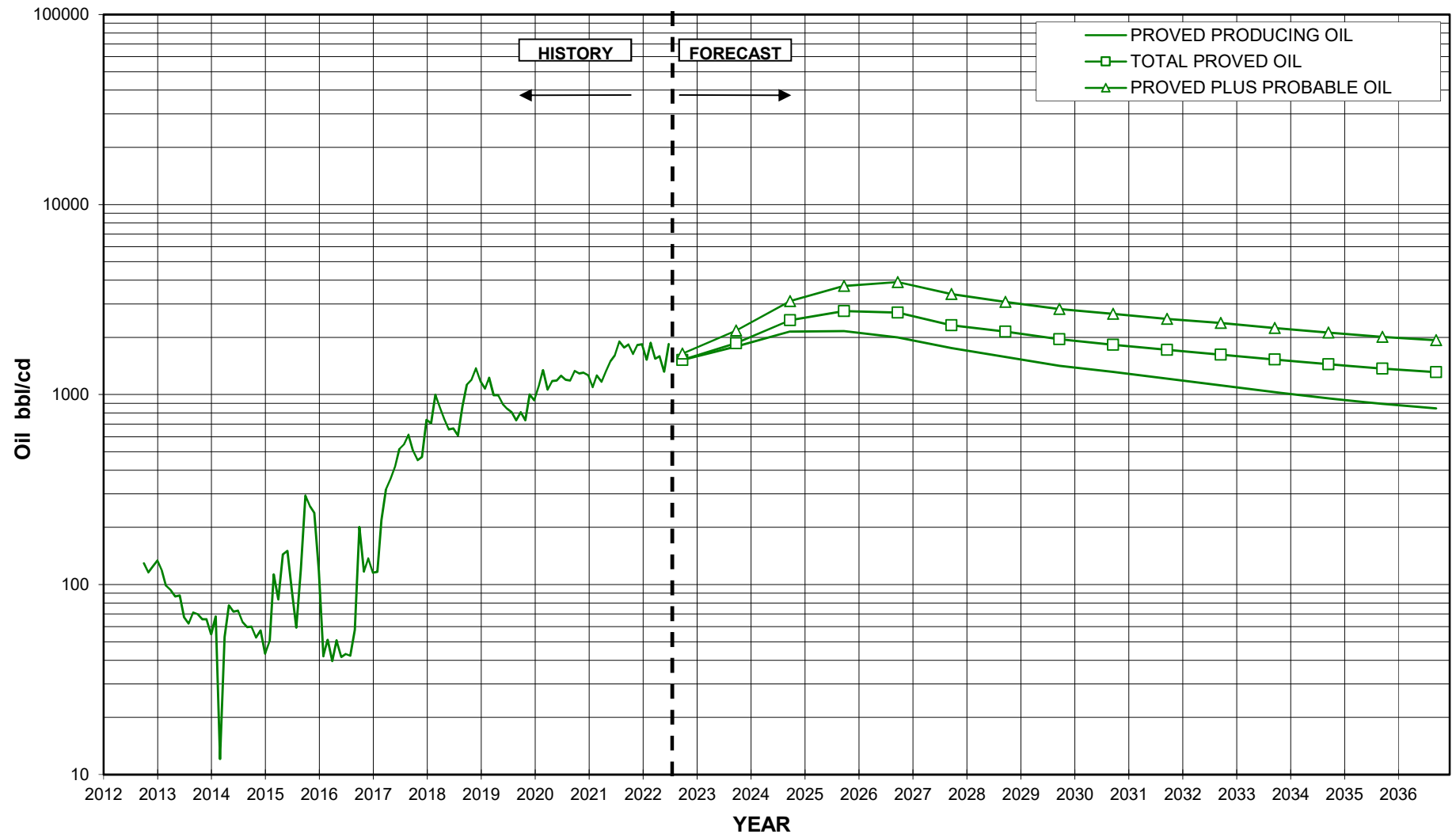
Effective July 31, 2022



\* Plotted forecast values reflect the yearly average calendar daily rate.

# CANADIAN OVERSEAS PETROLEUM LIMITED PROPERTY GROSS OIL PRODUCTION HISTORY AND FORECAST

**BFU Gas Flood**  
Effective July 31, 2022

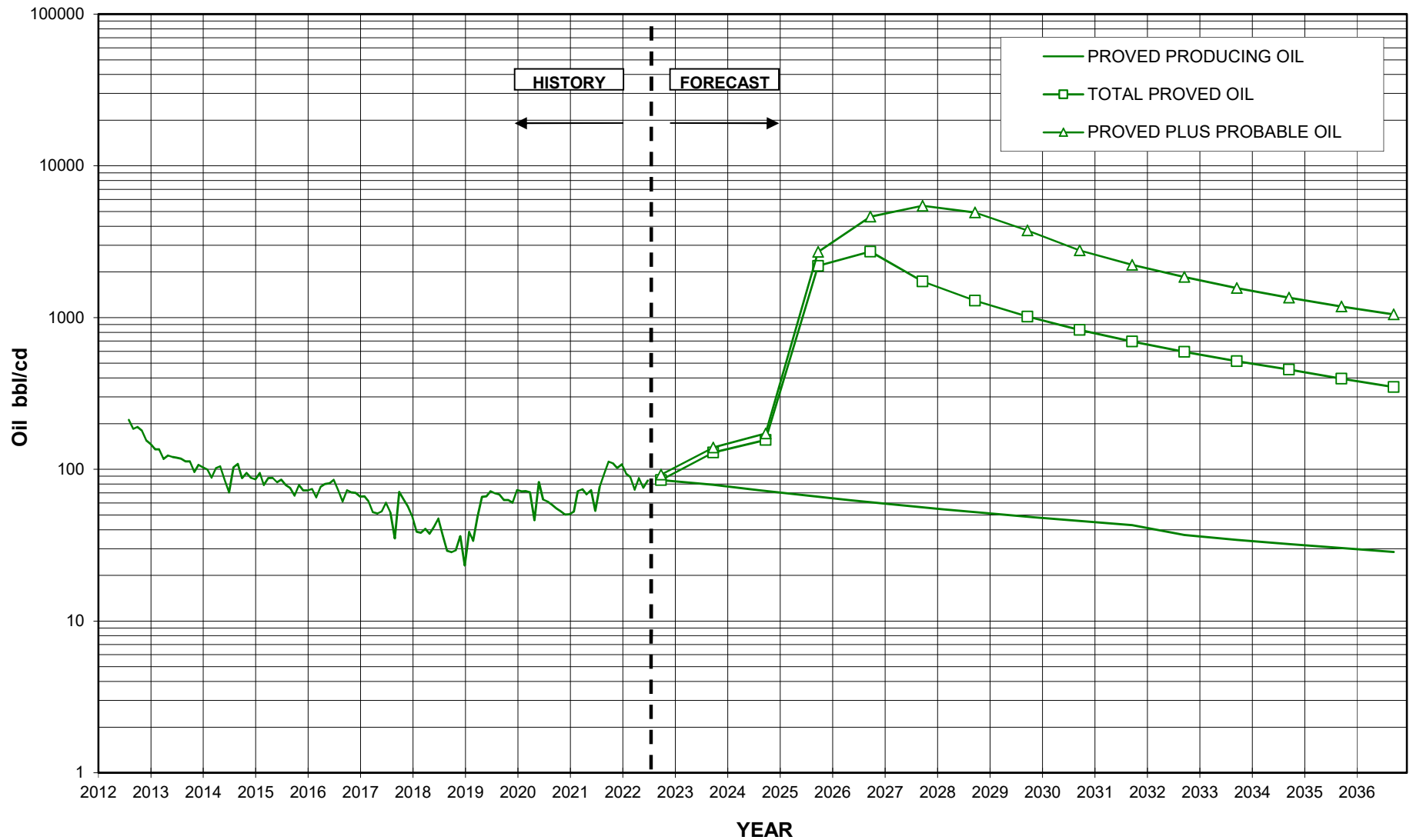


\* Plotted forecast values reflect the yearly average calendar daily rate.

# CANADIAN OVERSEAS PETROLEUM LIMITED PROPERTY GROSS OIL PRODUCTION HISTORY AND FORECAST

## Cole Creek

Effective July 31, 2022



\* Plotted forecast values reflect the yearly average calendar daily rate.

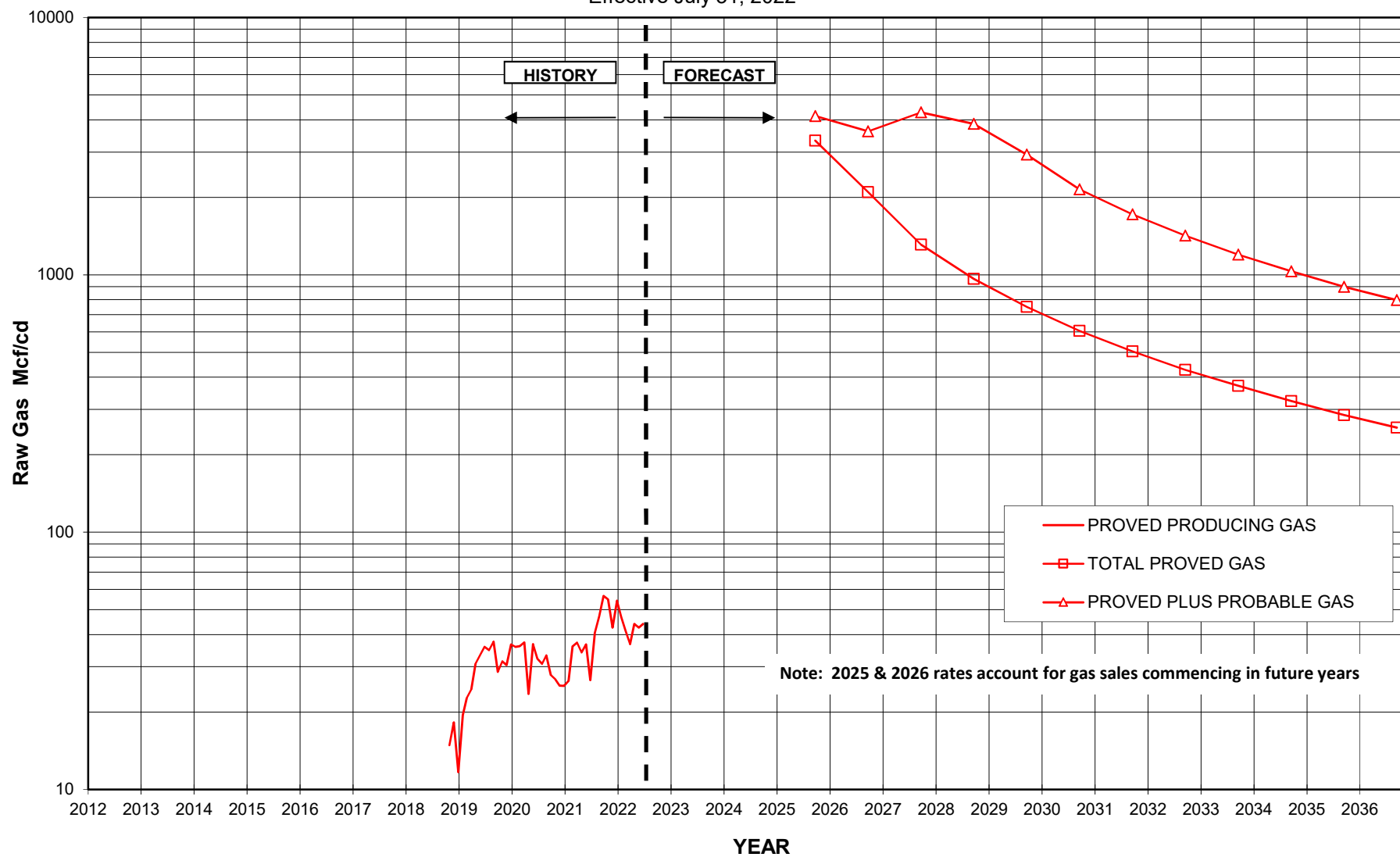


# CANADIAN OVERSEAS PETROLEUM LIMITED

## PROPERTY GROSS GAS PRODUCTION HISTORY AND FORECAST

### Cole Creek

Effective July 31, 2022

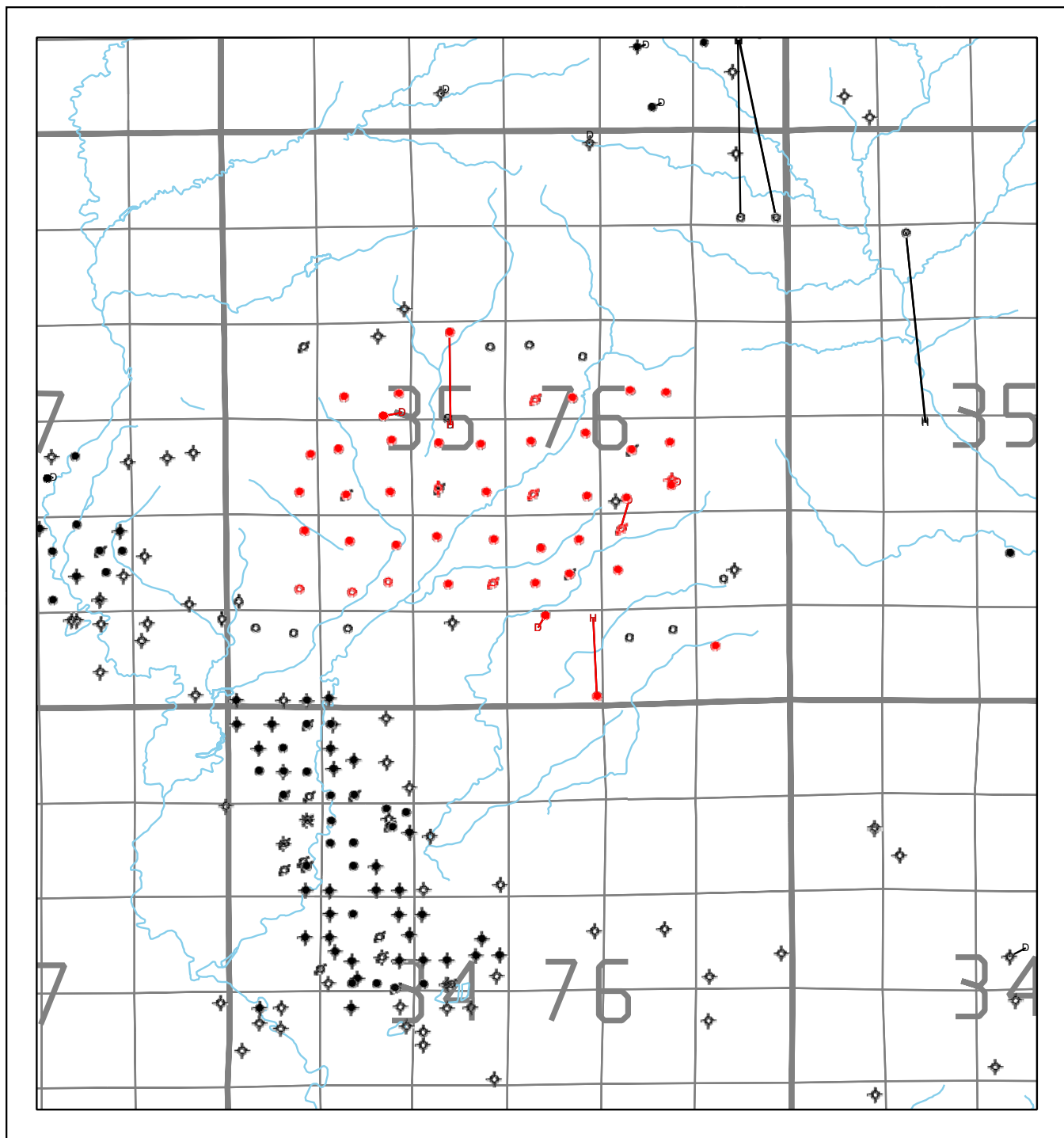


\* Plotted forecast values reflect the yearly average calendar daily rate.



# MAPS





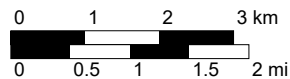
Datum: NAD27 Projection: Stereographic DLS Version AB: ATS 2.6, BC: PRB 2.0, SK: STS 2.5, MB: MLI07

Well Legend		
	Abandoned Gas	
	Abandoned Heavy Oil	
	Abandoned Oil	
	Abandoned Oil & Gas	
	Abandoned Service	
	Canceled	
	Drilling	
	Dry & Abandoned	
	Gas	
	Suspended Heavy Oil	
	Suspended Oil & Gas	
<b>Lists</b>		
<b>Proposed Wells</b>		

**RYDER  
SCOTT**

Center: 42.9731, -105.9604

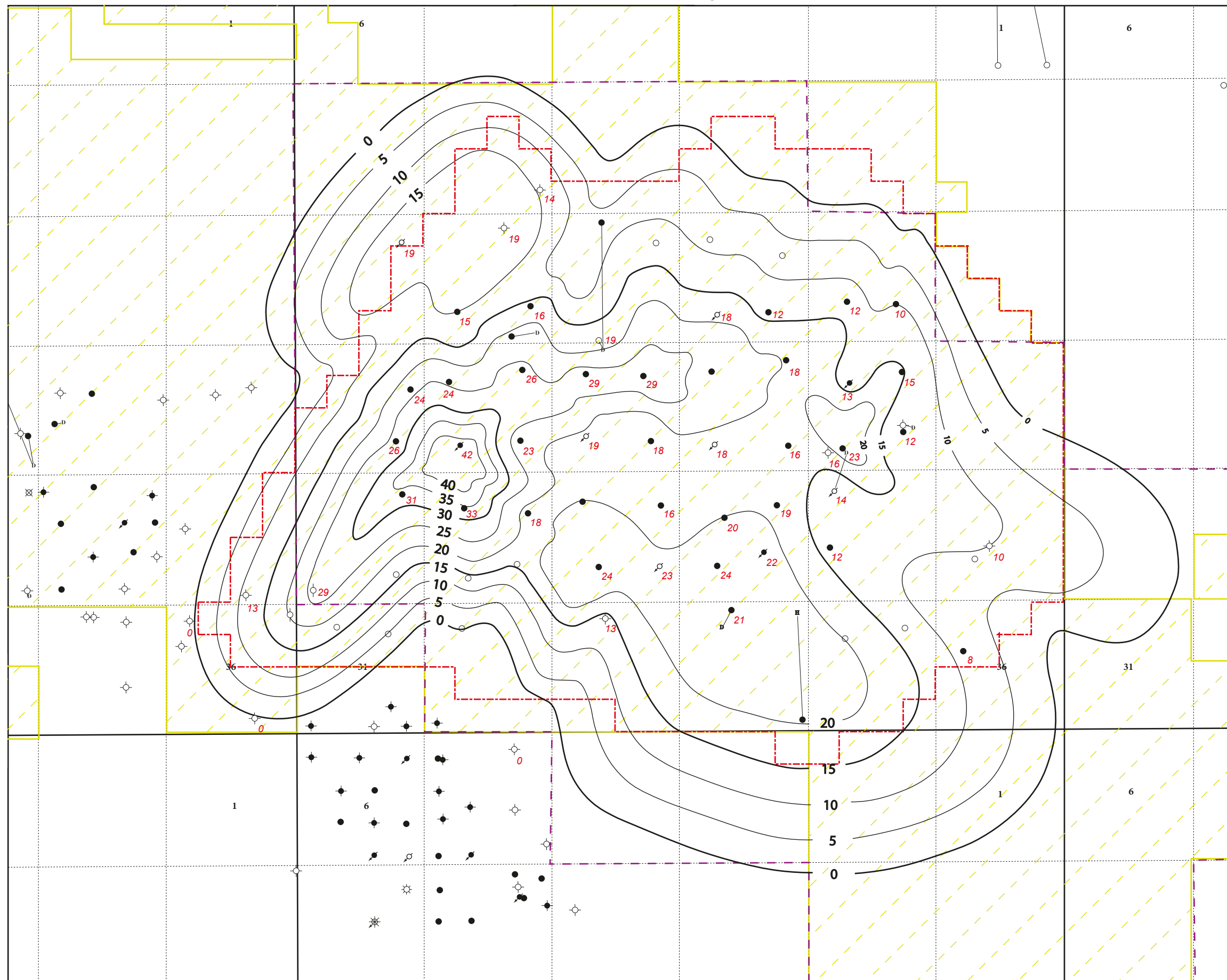
Scale: 1:101,130



**Canadian Overseas Petroleum Limited**

Barron Flats Gas Flood Map

R76W



Well Symbols

- |              |                 |
|--------------|-----------------|
| ○ Location   | ○ Drilling      |
| ● Oil        | ⊗ Gas           |
| ● Hvy Oil    | ⊗ Oil&Gas       |
| ● Susp Oil   | ⊗ Susp Gas      |
| ● Abnd Oil   | ⊗ Abnd Gas      |
| ● Susp H Oil | ⊗ Susp Oil&Gas  |
| ● Abnd H Oil | ⊗ Abnd Oil&Gas  |
| ○ Susp Undks | ○ D & A         |
| ⊗ Service    | ⊗ Abnd Service  |
| ⊗ Injection  | ⊗ Gas Injection |

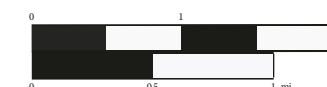
Project Area



Company Land

Barron Flats Unit (Shannon)

Barron Flats Unit (Deep)



Canadian Overseas Petroleum Limited

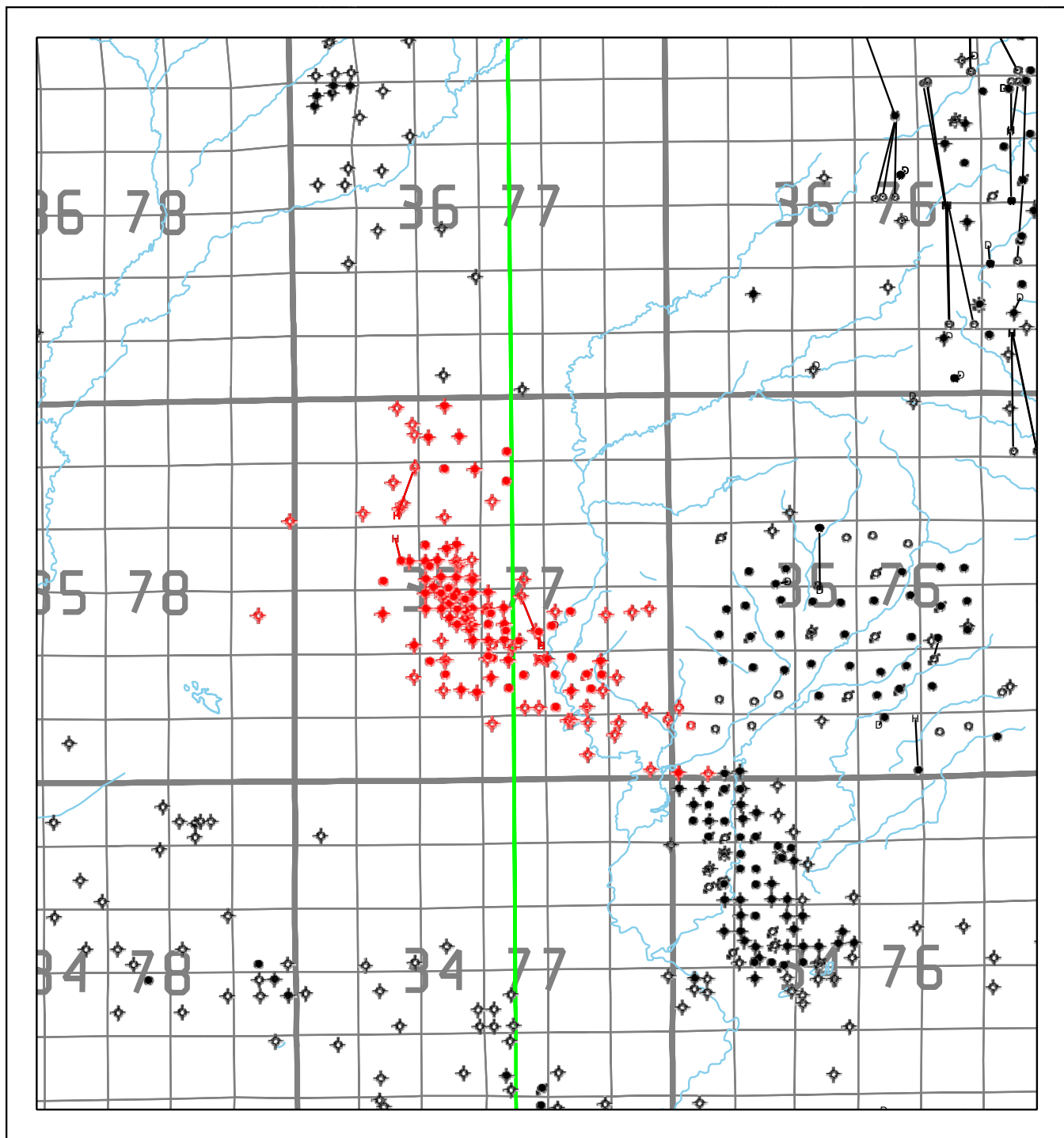


Powder River Basin - Wyoming

Barron Flats Unit  
Shannon Sand Net Oil  
Pay As of July 31, 2022

DATE: 2022  
C.I.: 5'

SCALE: See Bar Scale  
BY: M.L.



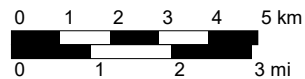
Datum: NAD27 Projection: Stereographic DLS Version AB: ATS 2.6, BC: PRB 2.0, SK: STS 2.5, MB: MLI07

Well Legend	
✱ Abandoned Gas	● Oil
✱ Abandoned Heavy Oil	✱ Oil & Gas
✱ Abandoned Oil	✱ Service or Drain
✱ Abandoned Oil & Gas	✱ Suspended
✱ Abandoned Service	✱ Suspended Gas
✱ Canceled	✱ Suspended Heavy Oil
✱ Drilling	✱ Suspended Oil
✱ Dry & Abandoned	✱ Suspended Oil & Gas
✱ Gas	
✱ Gas Injection	<b>Lists</b>
✱ Heavy Oil	✱ Wells - All of Cole Creek WY
✱ Injection	
○ Location	<b>Proposed Wells</b>
	○ Wells Proposed



Center: 42.9996, -106.0665

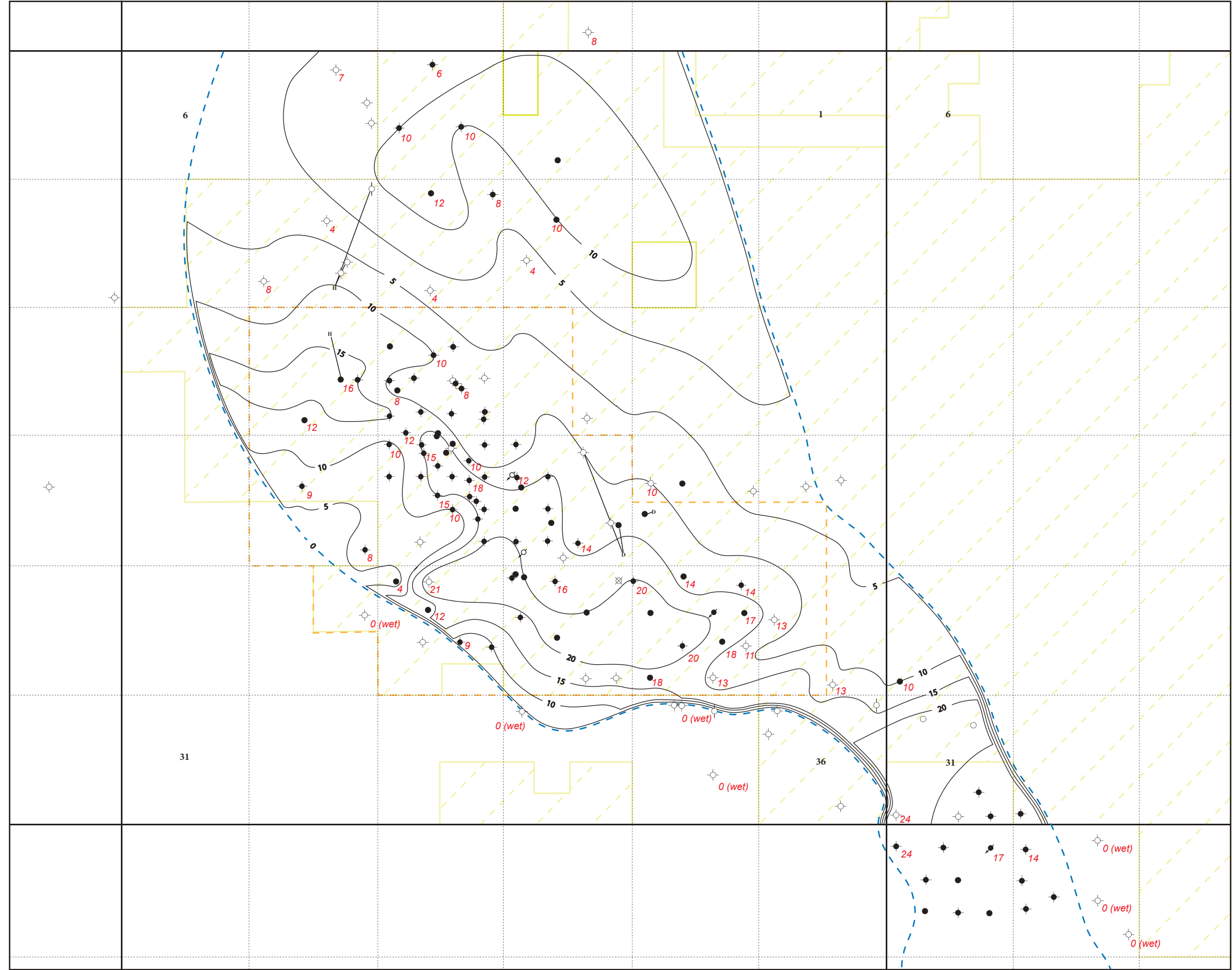
Scale: 1:151,696



**Canadian Overseas Petroleum Limited**

Cole Creek, WY

R77W

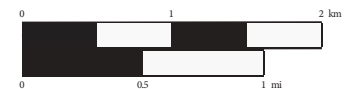


Well Symbols	
Location	Drilling
Oil	Gas
Hy Oil	Oil&Gas
Susp Oil	Susp Gas
Abnd Oil	Abnd Gas
Susp H Oil	Susp Oil&Gas
Abnd H Oil	Abnd Oil&Gas
Susp Undis	D & A
Service	Abnd Service
Injection	Gas Injection

Project Area



**Company Land**  
 **Cole Creek Unit**



Canadian Overseas Petroleum Limited

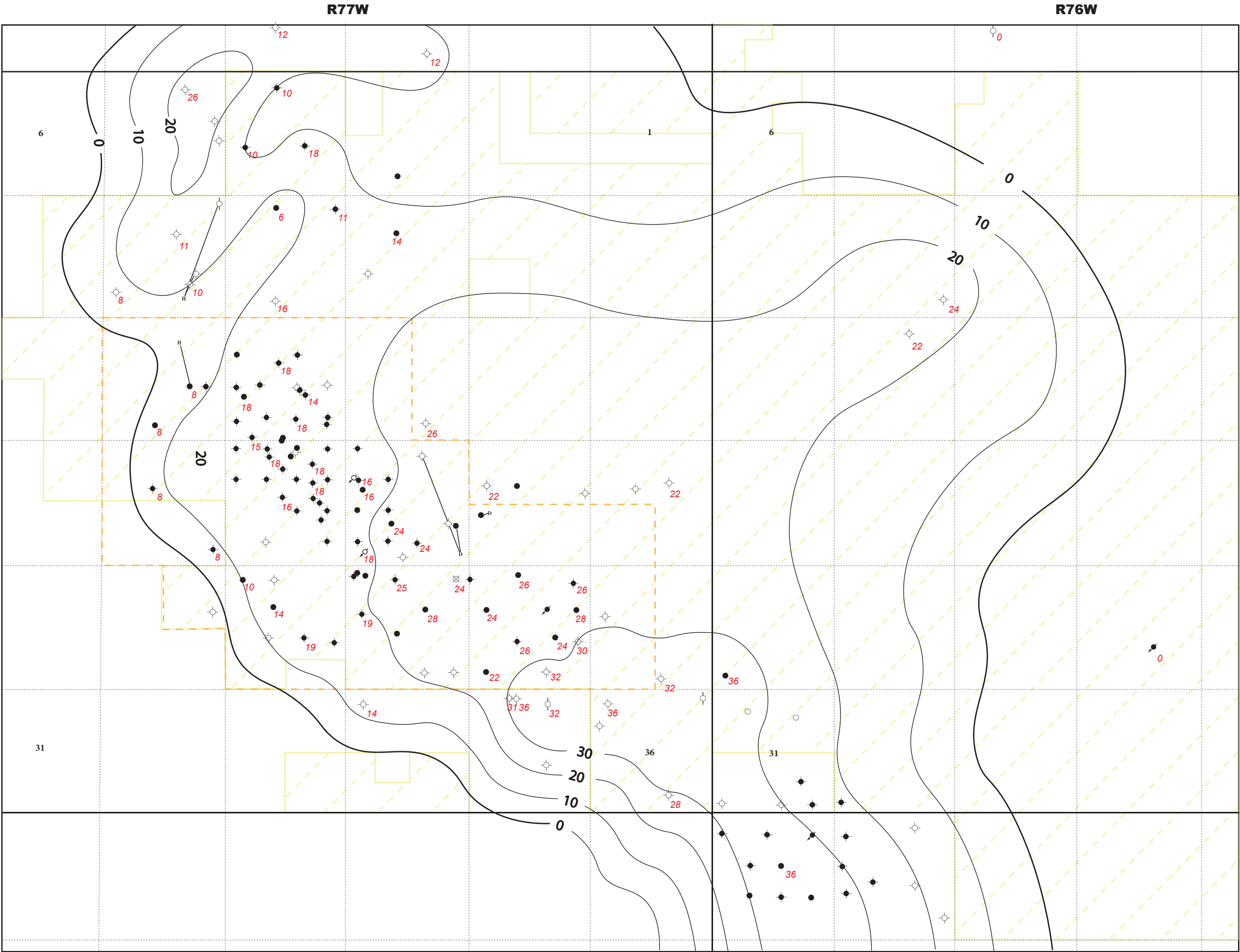


**Powder River Basin - Wyoming**

Cole Creek  
Dakota Sand Net Pay  
As of July 31, 2022



DATE: April 2022	SCALE: See Bar Scale
C.I.: 5'	BY: M.L.

T35N

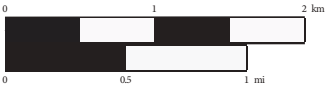


Well Symbols	
○ Location	○ Drilling
● Oil	⊗ Gas
● Hvy Oil	⊗ Oil&Gas
● Susp Oil	⊗ Susp Gas
● Abnd Oil	⊗ Abnd Gas
● Susp H Oil	⊗ Susp Oil&Gas
● Abnd H Oil	⊗ Abnd Oil&Gas
○ Susp Undks	○ D & A
⊗ Service	⊗ Abnd Service
⊗ Injection	⊗ Gas Injection



 **Company Land**  
 **Cole Creek Unit**

**T35N**



Canadian Overseas Petroleum Limited



**Powder River Basin - Wyoming**

Cole Creek  
Frontier 2 Net Pay  
As of July 31, 2022

DATE: April 2022	SCALE: See Bar Scale
C.I.: 10'	BY: M.L.



# GRAND SUMMARY PROJECTIONS



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 1-A  
(VOLUMES)

FRI SEP 2 12:23:33 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

GRAND SUMMARY

TOTAL PV+PB  
ALL CATEGORIES

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	37	268,720	230,807	180,136	98.50	0	0	0	0.00
2023	47	851,431	731,080	570,502	85.50	0	0	0	0.00
2024	53	1,200,279	1,028,584	802,823	77.00	0	0	0	0.00
2025	80	2,355,745	2,106,555	1,623,301	71.50	753	601	455	3.94
2026	95	3,120,785	2,816,160	2,171,606	73.00	1,316	1,042	795	4.02
2027	101	3,231,180	2,924,930	2,254,490	74.53	1,561	1,227	938	4.10
2028	107	2,921,739	2,641,407	2,038,076	76.09	1,407	1,104	845	4.18
2029	107	2,433,405	2,188,851	1,688,499	77.68	1,093	855	654	4.26
2030	106	2,019,320	1,808,042	1,396,552	79.31	812	636	486	4.35
2031	106	1,755,597	1,566,243	1,210,804	80.96	647	507	388	4.44
2032	107	1,569,525	1,395,959	1,079,930	82.65	535	419	321	4.53
2033	106	1,408,876	1,250,150	967,655	84.37	450	353	270	4.62
2034	106	1,284,303	1,137,317	880,730	86.13	387	304	232	4.71
2035	110	1,182,686	1,045,486	809,955	87.92	338	265	203	4.80
2036	105	1,102,050	972,587	753,794	89.75	299	235	180	4.90
Sub Total		26,705,640	23,844,158	18,428,855	78.77	9,599	7,547	5,766	4.27
Remainder		12,050,891	10,619,978	8,233,714	103.17	15,939	13,346	10,387	5.87
Total Future		38,756,531	34,464,135	26,662,569	86.30	25,538	20,893	16,154	5.30

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	94,148	89,751	67,923	33.00	0	0	0	0.00
2026	164,483	155,526	118,693	33.66	0	0	0	0.00
2027	195,171	183,160	140,071	34.33	0	0	0	0.00
2028	175,924	164,795	126,229	35.02	0	0	0	0.00
2029	136,632	127,690	97,636	35.72	0	0	0	0.00
2030	101,439	94,925	72,592	36.44	0	0	0	0.00
2031	80,933	75,762	57,934	37.16	0	0	0	0.00
2032	66,860	62,613	47,876	37.91	0	0	0	0.00
2033	56,270	52,711	40,302	38.66	0	0	0	0.00
2034	48,396	45,345	34,668	39.44	0	0	0	0.00
2035	42,247	39,591	30,268	40.22	0	0	0	0.00
2036	37,425	35,077	26,816	41.03	0	0	0	0.00
Sub Total	1,199,930	1,126,945	861,008	35.78	0	0	0	0.00
Remainder	1,673,321	1,457,599	1,132,760	48.17	0	0	0	0.00
Total Future	2,873,251	2,584,544	1,993,768	42.82	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 1-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

**GRAND SUMMARY**

**TOTAL PV+PB**  
**ALL CATEGORIES**

**DISCOUNTED**

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	778,220
8.00 % -	583,648
10.00 % -	492,073
15.00 % -	339,444
20.00 % -	248,112

LIFE OF SUMMARY IS 40.42 YEARS

**GROSS REVENUE BEFORE BURDENS - \$M**

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	22,734	0	0	0	0	0	0	22,734
2023	62,507	0	0	0	0	0	0	62,507
2024	79,199	0	0	0	0	0	0	79,199
2025	150,612	2,368	0	0	2,962	0	0	155,942
2026	205,575	4,187	0	0	5,235	0	0	214,997
2027	217,992	5,029	0	0	6,288	0	0	229,309
2028	200,982	4,613	0	0	5,771	0	0	211,366
2029	170,027	3,643	0	0	4,561	0	0	178,231
2030	143,392	2,765	0	0	3,459	0	0	149,616
2031	126,799	2,253	0	0	2,815	0	0	131,867
2032	115,372	1,900	0	0	2,373	0	0	119,645
2033	105,471	1,631	0	0	2,038	0	0	109,140
2034	97,953	1,430	0	0	1,788	0	0	101,172
2035	91,915	1,273	0	0	1,593	0	0	94,780
2036	87,286	1,151	0	0	1,439	0	0	89,876
Sub Total	1,877,818	32,243	0	0	40,323	0	0	1,950,384
Remainder	1,095,683	78,311	0	0	70,208	0	0	1,244,203
Total Future	2,973,501	110,555	0	0	110,531	0	0	3,194,586

**ROYALTY BURDENS - \$M**

**REVENUE**

**ROYALTY CREDITS - \$M**

**COMPANY**

**AD VAL. &**

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	4,991	17,743	0	0	0	17,743	2,065
2023	0	13,729	48,778	0	0	0	48,778	5,678
2024	0	17,383	61,816	0	0	0	61,816	7,195
2025	0	35,847	120,095	0	0	0	120,095	13,979
2026	0	49,283	165,714	0	0	0	165,714	19,289
2027	0	52,630	176,680	0	0	0	176,680	20,566
2028	0	48,337	163,029	0	0	0	163,029	18,977
2029	0	40,798	137,433	0	0	0	137,433	15,997
2030	0	34,099	115,518	0	0	0	115,518	13,446
2031	0	29,968	101,899	0	0	0	101,899	11,861
2032	0	27,125	92,520	0	0	0	92,520	10,769
2033	0	24,697	84,443	0	0	0	84,443	9,829
2034	0	22,857	78,315	0	0	0	78,315	9,116
2035	0	21,382	73,399	0	0	0	73,399	8,544
2036	0	20,246	69,630	0	0	0	69,630	8,105
Sub Total	0	443,371	1,507,013	0	0	0	1,507,013	175,416
Remainder	0	279,228	964,975	60,951	0	0	1,025,925	112,323
Total Future	0	722,599	2,471,987	60,951	0	0	2,532,938	287,739

**DEDUCTIONS - \$M**

**FUTURE NET INCOME BEFORE INCOME TAXES - \$M**

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	3,122	6,423	0	9,545	6,133	6,133	5,991
2023	7,814	30,645	0	38,459	4,641	10,775	4,503
2024	9,719	27,449	0	37,168	17,452	28,227	14,718
2025	11,973	88,797	0	100,771	5,345	33,572	3,399
2026	14,472	63,984	0	78,456	67,969	101,541	46,044
2027	14,037	45,503	0	59,540	96,574	198,116	60,244
2028	13,576	9,520	0	23,096	120,956	319,072	68,984
2029	13,804	18,146	0	31,950	89,486	408,558	46,295
2030	13,543	0	0	13,543	88,529	497,087	41,696
2031	13,321	0	0	13,321	76,717	573,804	32,839
2032	13,182	0	0	13,182	68,569	642,372	26,682
2033	13,070	0	0	13,070	61,544	703,916	21,767
2034	13,018	198	0	13,216	55,983	759,899	17,996
2035	12,981	319	0	13,300	51,555	811,454	15,066
2036	12,927	0	0	12,927	48,598	860,052	12,912
Sub Total	180,562	290,982	0	471,544	860,052		419,136
Remainder	301,890	62,017	0	363,907	549,696	1,409,748	72,937
Total Future	482,452	352,999	0	835,451	1,409,748		492,073





**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 2-A  
(VOLUMES)

FRI SEP 2 12:23:33 2022

**CANADIAN OVERSEAS PETROLEUM LIMITED**

**GRAND SUMMARY**

**TOTAL PROVED  
ALL CATEGORIES**

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	37	248,553	213,476	166,610	98.50	0	0	0	0.00
2023	46	733,776	630,476	491,942	85.50	0	0	0	0.00
2024	47	960,932	824,307	643,274	77.00	0	0	0	0.00
2025	72	1,808,188	1,620,346	1,247,659	71.50	605	482	365	3.94
2026	78	1,985,147	1,797,409	1,386,185	73.00	764	614	468	4.02
2027	74	1,482,546	1,329,418	1,026,678	74.53	478	383	292	4.10
2028	74	1,258,277	1,121,303	867,109	76.09	352	282	214	4.18
2029	73	1,088,385	966,016	747,700	77.68	274	219	167	4.26
2030	73	975,016	862,282	667,951	79.31	221	177	135	4.35
2031	73	885,206	780,652	605,106	80.96	184	147	112	4.44
2032	73	812,527	715,001	554,509	82.65	156	125	95	4.53
2033	72	749,193	658,042	510,565	84.37	135	108	82	4.62
2034	72	695,733	610,152	473,575	86.13	118	94	72	4.71
2035	72	647,269	566,684	440,030	87.92	104	84	64	4.80
2036	68	608,794	532,090	413,300	89.75	93	75	57	4.90
Sub Total		14,939,543	13,227,652	10,242,192	78.74	3,484	2,791	2,122	4.21
Remainder		6,490,559	5,657,712	4,397,204	102.74	10,993	9,303	7,255	5.90
Total Future		21,430,101	18,885,365	14,639,396	85.95	14,477	12,093	9,377	5.51

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	75,588	71,980	54,459	33.00	0	0	0	0.00
2026	95,552	91,671	69,856	33.66	0	0	0	0.00
2027	59,801	57,257	43,578	34.33	0	0	0	0.00
2028	43,955	42,080	32,019	35.02	0	0	0	0.00
2029	34,189	32,729	24,902	35.72	0	0	0	0.00
2030	27,622	26,441	20,116	36.44	0	0	0	0.00
2031	22,952	21,969	16,713	37.16	0	0	0	0.00
2032	19,534	18,697	14,223	37.91	0	0	0	0.00
2033	16,818	16,097	12,245	38.66	0	0	0	0.00
2034	14,724	14,092	10,719	39.44	0	0	0	0.00
2035	13,038	12,479	9,492	40.22	0	0	0	0.00
2036	11,686	11,185	8,507	41.03	0	0	0	0.00
Sub Total	435,460	416,678	316,829	35.27	0	0	0	0.00
Remainder	1,122,384	966,780	753,236	48.31	0	0	0	0.00
Total Future	1,557,843	1,383,458	1,070,066	44.45	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 2-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

**GRAND SUMMARY**

**TOTAL PROVED**  
**ALL CATEGORIES**

**DISCOUNTED**

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	401,062
8.00 % -	301,335
10.00 % -	254,833
15.00 % -	177,762
20.00 % -	131,713

LIFE OF SUMMARY IS 39.50 YEARS

**GROSS REVENUE BEFORE BURDENS - \$M**

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	21,027	0	0	0	0	0	0	21,027
2023	53,906	0	0	0	0	0	0	53,906
2024	63,472	0	0	0	0	0	0	63,472
2025	115,855	1,899	0	0	2,375	0	0	120,129
2026	131,211	2,468	0	0	3,086	0	0	136,764
2027	99,082	1,572	0	0	1,966	0	0	102,619
2028	85,320	1,178	0	0	1,474	0	0	87,972
2029	75,040	934	0	0	1,169	0	0	77,143
2030	68,388	770	0	0	963	0	0	70,121
2031	63,202	653	0	0	816	0	0	64,671
2032	59,095	567	0	0	709	0	0	60,371
2033	55,519	498	0	0	622	0	0	56,639
2034	52,552	445	0	0	556	0	0	53,553
2035	49,823	401	0	0	502	0	0	50,726
2036	47,755	367	0	0	459	0	0	48,581
Sub Total	1,041,245	11,753	0	0	14,697	0	0	1,067,695
Remainder	581,294	54,841	0	0	46,705	0	0	682,840
Total Future	1,622,539	66,594	0	0	61,402	0	0	1,750,535

**ROYALTY BURDENS - \$M**

**REVENUE**

**ROYALTY CREDITS - \$M**

**COMPANY**

**AD VAL. &**

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	4,616	16,411	0	0	0	16,411	1,910
2023	0	11,845	42,061	0	0	0	42,061	4,896
2024	0	13,940	49,532	0	0	0	49,532	5,766
2025	0	27,688	92,442	0	0	0	92,442	10,760
2026	0	31,341	105,424	0	0	0	105,424	12,271
2027	0	23,408	79,211	0	0	0	79,211	9,220
2028	0	19,976	67,996	0	0	0	67,996	7,915
2029	0	17,462	59,681	0	0	0	59,681	6,947
2030	0	15,827	54,294	0	0	0	54,294	6,320
2031	0	14,564	50,107	0	0	0	50,107	5,833
2032	0	13,570	46,801	0	0	0	46,801	5,448
2033	0	12,711	43,929	0	0	0	43,929	5,113
2034	0	12,003	41,550	0	0	0	41,550	4,836
2035	0	11,352	39,374	0	0	0	39,374	4,583
2036	0	10,859	37,722	0	0	0	37,722	4,391
Sub Total	0	241,160	826,535	0	0	0	826,535	96,209
Remainder	0	151,897	530,943	60,951	0	0	591,893	61,802
Total Future	0	393,057	1,357,477	60,951	0	0	1,418,428	158,010

**DEDUCTIONS - \$M**

**FUTURE NET INCOME BEFORE INCOME TAXES - \$M**

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	3,045	6,423	0	9,467	5,034	5,034	4,914
2023	7,355	28,988	0	36,344	822	5,855	1,022
2024	8,571	16,567	0	25,138	18,629	24,484	15,670
2025	10,147	81,960	0	92,106	-10,425	14,059	-8,536
2026	11,483	28,036	0	39,519	53,634	67,692	36,566
2027	10,584	554	0	11,139	58,852	126,544	36,904
2028	10,278	0	0	10,278	49,803	176,347	28,385
2029	9,957	0	0	9,957	42,777	219,125	22,157
2030	9,140	0	0	9,140	38,835	257,959	18,282
2031	9,055	0	0	9,055	35,220	293,180	15,072
2032	8,961	0	0	8,961	32,392	325,572	12,602
2033	8,895	197	0	9,092	29,723	355,295	10,513
2034	8,879	0	0	8,879	27,835	383,130	8,948
2035	8,709	319	0	9,028	25,763	408,894	7,528
2036	8,567	0	0	8,567	24,764	433,658	6,579
Sub Total	133,624	163,044	0	296,668	433,658		216,605
Remainder	176,888	52,200	0	229,088	301,004	734,662	38,228
Total Future	310,512	215,244	0	525,756	734,662		254,833



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 3-A  
(VOLUMES)

FRI SEP 2 12:23:33 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

GRAND SUMMARY

PROVED  
PRODUCING

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	37	248,553	213,476	166,610	98.50	0	0	0	0.00
2023	37	687,729	589,506	460,206	85.50	0	0	0	0.00
2024	36	814,177	696,608	543,947	77.00	0	0	0	0.00
2025	36	817,556	699,104	545,935	71.50	0	0	0	0.00
2026	36	755,966	646,420	504,794	73.00	0	0	0	0.00
2027	36	666,912	570,425	445,432	74.53	0	0	0	0.00
2028	36	598,796	512,278	400,013	76.09	0	0	0	0.00
2029	35	539,140	461,336	360,224	77.68	0	0	0	0.00
2030	35	500,356	428,173	334,326	79.31	0	0	0	0.00
2031	35	462,245	395,601	308,889	80.96	0	0	0	0.00
2032	35	424,975	363,795	284,057	82.65	0	0	0	0.00
2033	34	391,548	335,245	261,766	84.37	0	0	0	0.00
2034	34	363,822	311,537	243,252	86.13	0	0	0	0.00
2035	34	340,066	291,212	227,380	87.92	0	0	0	0.00
2036	34	321,671	275,460	215,081	89.75	0	0	0	0.00
Sub Total		7,933,512	6,790,175	5,301,912	79.68	0	0	0	0.00
Remainder		3,303,502	2,824,083	2,205,667	102.50	6,634	5,641	4,409	5.92
Total Future		11,237,013	9,614,258	7,507,579	86.39	6,634	5,641	4,409	5.92

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	663,400	564,130	440,861	48.48	0	0	0	0.00
Total Future	663,400	564,130	440,861	48.48	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 3-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

**GRAND SUMMARY**

**PROVED  
PRODUCING**

**DISCOUNTED**

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	248,746
8.00 % -	194,958
10.00 % -	170,201
15.00 % -	129,195
20.00 % -	104,235

LIFE OF SUMMARY IS 39.50 YEARS

**GROSS REVENUE BEFORE BURDENS - \$M**

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	21,027	0	0	0	0	0	0	21,027
2023	50,403	0	0	0	0	0	0	50,403
2024	53,639	0	0	0	0	0	0	53,639
2025	49,986	0	0	0	0	0	0	49,986
2026	47,189	0	0	0	0	0	0	47,189
2027	42,514	0	0	0	0	0	0	42,514
2028	38,979	0	0	0	0	0	0	38,979
2029	35,837	0	0	0	0	0	0	35,837
2030	33,958	0	0	0	0	0	0	33,958
2031	32,028	0	0	0	0	0	0	32,028
2032	30,068	0	0	0	0	0	0	30,068
2033	28,285	0	0	0	0	0	0	28,285
2034	26,833	0	0	0	0	0	0	26,833
2035	25,603	0	0	0	0	0	0	25,603
2036	24,723	0	0	0	0	0	0	24,723
Sub Total	541,070	0	0	0	0	0	0	541,070
Remainder	289,450	33,396	0	0	27,352	0	0	350,198
Total Future	830,520	33,396	0	0	27,352	0	0	891,268

**ROYALTY BURDENS - \$M**

**REVENUE**

**ROYALTY CREDITS - \$M**

**COMPANY**

**AD VAL. &**

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	4,616	16,411	0	0	0	16,411	1,910
2023	0	11,055	39,348	0	0	0	39,348	4,580
2024	0	11,755	41,884	0	0	0	41,884	4,875
2025	0	10,952	39,034	0	0	0	39,034	4,544
2026	0	10,339	36,850	0	0	0	36,850	4,289
2027	0	9,316	33,198	0	0	0	33,198	3,864
2028	0	8,542	30,437	0	0	0	30,437	3,543
2029	0	7,854	27,982	0	0	0	27,982	3,257
2030	0	7,443	26,515	0	0	0	26,515	3,086
2031	0	7,020	25,008	0	0	0	25,008	2,911
2032	0	6,590	23,477	0	0	0	23,477	2,733
2033	0	6,199	22,085	0	0	0	22,085	2,571
2034	0	5,881	20,951	0	0	0	20,951	2,439
2035	0	5,612	19,991	0	0	0	19,991	2,327
2036	0	5,419	19,304	0	0	0	19,304	2,247
Sub Total	0	118,594	422,476	0	0	0	422,476	49,176
Remainder	0	76,654	273,544	60,951	0	0	334,495	31,841
Total Future	0	195,248	696,020	60,951	0	0	756,971	81,017

**DEDUCTIONS - \$M**

**FUTURE NET INCOME BEFORE INCOME TAXES - \$M**

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	3,043	4,465	0	7,508	6,993	6,993	6,858
2023	6,788	10,113	0	16,902	17,866	24,859	16,376
2024	7,435	9,426	0	16,861	20,148	45,007	16,830
2025	6,887	2,087	0	8,974	25,517	70,524	19,333
2026	6,726	1,557	0	8,283	24,278	94,802	16,738
2027	6,448	554	0	7,003	22,331	117,133	13,988
2028	6,245	0	0	6,245	20,649	137,782	11,764
2029	5,991	0	0	5,991	18,734	156,516	9,699
2030	5,197	0	0	5,197	18,232	174,747	8,580
2031	5,102	0	0	5,102	16,995	191,742	7,272
2032	4,974	0	0	4,974	15,771	207,513	6,135
2033	4,868	197	0	5,065	14,449	221,962	5,112
2034	4,813	0	0	4,813	13,700	235,662	4,404
2035	4,775	319	0	5,094	12,570	248,232	3,673
2036	4,764	0	0	4,764	12,293	260,525	3,266
Sub Total	84,056	28,718	0	112,774	260,525		150,028
Remainder	89,705	35,499	0	125,204	177,450	437,975	20,173
Total Future	173,761	64,217	0	237,979	437,975		170,201



CANADIAN OVERSEAS PETROLEUM LIMITED

GRAND SUMMARY

PROVED  
NON-PRODUCING

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022		0	0	0	0.00	0	0	0	0.00
2023	4	18,173	17,267	13,212	85.50	0	0	0	0.00
2024	4	30,791	29,088	22,263	77.00	0	0	0	0.00
2025	4	19,087	18,051	13,815	71.50	0	0	0	0.00
2026	4	16,374	15,486	11,852	73.00	0	0	0	0.00
2027	4	14,269	13,495	10,328	74.53	0	0	0	0.00
2028	4	12,598	11,915	9,119	76.09	0	0	0	0.00
2029	4	11,163	10,558	8,080	77.68	0	0	0	0.00
2030	4	9,997	9,456	7,237	79.31	0	0	0	0.00
2031	4	9,015	8,527	6,526	80.96	0	0	0	0.00
2032	4	8,200	7,756	5,936	82.65	0	0	0	0.00
2033	4	7,459	7,055	5,399	84.37	0	0	0	0.00
2034	4	6,836	6,466	4,949	86.13	0	0	0	0.00
2035	4	3,188	3,033	2,344	87.92	0	0	0	0.00
2036		0	0	0	0.00	0	0	0	0.00
Sub Total		167,151	158,153	121,059	78.22	0	0	0	0.00
Remainder		0	0	0	0.00	0	0	0	0.00
Total Future		167,151	158,153	121,059	78.22	0	0	0	0.00

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 4-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

**GRAND SUMMARY**

**PROVED  
NON-PRODUCING**

**DISCOUNTED**

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	2,047
8.00 % -	1,915
10.00 % -	1,815
15.00 % -	1,564
20.00 % -	1,339

LIFE OF SUMMARY IS 12.25 YEARS

**GROSS REVENUE BEFORE BURDENS - \$M**

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	0	0	0	0	0	0	0	0
2023	1,476	0	0	0	0	0	0	1,476
2024	2,240	0	0	0	0	0	0	2,240
2025	1,291	0	0	0	0	0	0	1,291
2026	1,130	0	0	0	0	0	0	1,130
2027	1,006	0	0	0	0	0	0	1,006
2028	907	0	0	0	0	0	0	907
2029	820	0	0	0	0	0	0	820
2030	750	0	0	0	0	0	0	750
2031	690	0	0	0	0	0	0	690
2032	641	0	0	0	0	0	0	641
2033	595	0	0	0	0	0	0	595
2034	557	0	0	0	0	0	0	557
2035	267	0	0	0	0	0	0	267
2036	0	0	0	0	0	0	0	0
Sub Total	12,370	0	0	0	0	0	0	12,370
Remainder	0	0	0	0	0	0	0	0
Total Future	12,370	0	0	0	0	0	0	12,370

**ROYALTY BURDENS - \$M**

**REVENUE**

**ROYALTY CREDITS - \$M**

**COMPANY**

**AD VAL. &**

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	0	0	0	0	0	0	0
2023	0	347	1,130	0	0	0	1,130	131
2024	0	525	1,714	0	0	0	1,714	200
2025	0	303	988	0	0	0	988	115
2026	0	265	865	0	0	0	865	101
2027	0	236	770	0	0	0	770	90
2028	0	213	694	0	0	0	694	81
2029	0	192	628	0	0	0	628	73
2030	0	176	574	0	0	0	574	67
2031	0	162	528	0	0	0	528	61
2032	0	150	491	0	0	0	491	57
2033	0	140	456	0	0	0	456	53
2034	0	131	426	0	0	0	426	50
2035	0	61	206	0	0	0	206	24
2036	0	0	0	0	0	0	0	0
Sub Total	0	2,901	9,469	0	0	0	9,469	1,102
Remainder	0	0	0	0	0	0	0	0
Total Future	0	2,901	9,469	0	0	0	9,469	1,102

**DEDUCTIONS - \$M**

**FUTURE NET INCOME BEFORE INCOME TAXES - \$M**

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	0	0	0	0	0	0	0
2023	135	1,383	0	1,518	-520	-520	-479
2024	344	0	0	344	1,171	651	982
2025	302	0	0	302	571	1,221	433
2026	305	0	0	305	459	1,680	317
2027	309	0	0	309	371	2,051	233
2028	314	0	0	314	299	2,351	171
2029	318	0	0	318	236	2,587	122
2030	323	0	0	323	184	2,771	87
2031	329	0	0	329	138	2,909	59
2032	334	0	0	334	99	3,008	39
2033	340	0	0	340	62	3,070	22
2034	346	0	0	346	30	3,101	10
2035	177	0	0	177	5	3,106	2
2036	0	0	0	0	0	3,106	0
Sub Total	3,878	1,383	0	5,260	3,106		1,997
Remainder	0	998	0	998	-998	2,108	-182
Total Future	3,878	2,381	0	6,259	2,108		1,815



CANADIAN OVERSEAS PETROLEUM LIMITED

GRAND SUMMARY

PROVED  
UNDEVELOPED

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022		0	0	0	0.00	0	0	0	0.00
2023	5	27,874	23,703	18,523	85.50	0	0	0	0.00
2024	7	115,964	98,611	77,064	77.00	0	0	0	0.00
2025	32	971,545	903,192	687,909	71.50	605	482	365	3.94
2026	38	1,212,807	1,135,503	869,539	73.00	764	614	468	4.02
2027	34	801,365	745,498	570,918	74.53	478	383	292	4.10
2028	34	646,884	597,110	457,977	76.09	352	282	214	4.18
2029	34	538,082	494,123	379,396	77.68	274	219	167	4.26
2030	34	464,663	424,653	326,388	79.31	221	177	135	4.35
2031	34	413,945	376,523	289,691	80.96	184	147	112	4.44
2032	34	379,352	343,449	264,516	82.65	156	125	95	4.53
2033	34	350,186	315,743	243,399	84.37	135	108	82	4.62
2034	34	325,074	292,149	225,375	86.13	118	94	72	4.71
2035	34	304,015	272,439	210,306	87.92	104	84	64	4.80
2036	34	287,122	256,630	198,219	89.75	93	75	57	4.90
Sub Total		6,838,880	6,279,325	4,819,221	77.71	3,484	2,791	2,122	4.21
Remainder		3,187,057	2,833,630	2,191,536	102.99	4,359	3,662	2,846	5.86
Total Future		10,025,938	9,112,954	7,010,757	85.61	7,843	6,452	4,968	5.15

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/L) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	75,588	71,980	54,459	33.00	0	0	0	0.00
2026	95,552	91,671	69,856	33.66	0	0	0	0.00
2027	59,801	57,257	43,578	34.33	0	0	0	0.00
2028	43,955	42,080	32,019	35.02	0	0	0	0.00
2029	34,189	32,729	24,902	35.72	0	0	0	0.00
2030	27,622	26,441	20,116	36.44	0	0	0	0.00
2031	22,952	21,969	16,713	37.16	0	0	0	0.00
2032	19,534	18,697	14,223	37.91	0	0	0	0.00
2033	16,818	16,097	12,245	38.66	0	0	0	0.00
2034	14,724	14,092	10,719	39.44	0	0	0	0.00
2035	13,038	12,479	9,492	40.22	0	0	0	0.00
2036	11,686	11,185	8,507	41.03	0	0	0	0.00
Sub Total	435,460	416,678	316,829	35.27	0	0	0	0.00
Remainder	458,984	402,650	312,375	48.07	0	0	0	0.00
Total Future	894,443	819,328	629,205	41.63	0	0	0	0.00



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 5-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

**GRAND SUMMARY**

**PROVED  
UNDEVELOPED**

**DISCOUNTED**

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	150,270
8.00 % -	104,462
10.00 % -	82,817
15.00 % -	47,003
20.00 % -	26,139

LIFE OF SUMMARY IS 37.33 YEARS

**GROSS REVENUE BEFORE BURDENS - \$M**

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	0	0	0	0	0	0	0	0
2023	2,027	0	0	0	0	0	0	2,027
2024	7,593	0	0	0	0	0	0	7,593
2025	64,578	1,899	0	0	2,375	0	0	68,853
2026	82,892	2,468	0	0	3,086	0	0	88,445
2027	55,562	1,572	0	0	1,966	0	0	59,100
2028	45,434	1,178	0	0	1,474	0	0	48,086
2029	38,383	934	0	0	1,169	0	0	40,486
2030	33,679	770	0	0	963	0	0	35,413
2031	30,483	653	0	0	816	0	0	31,953
2032	28,386	567	0	0	709	0	0	29,662
2033	26,639	498	0	0	622	0	0	27,760
2034	25,163	445	0	0	556	0	0	26,163
2035	23,953	401	0	0	502	0	0	24,856
2036	23,033	367	0	0	459	0	0	23,858
Sub Total	487,805	11,753	0	0	14,697	0	0	514,255
Remainder	291,844	21,444	0	0	19,354	0	0	332,642
Total Future	779,649	33,197	0	0	34,051	0	0	846,896

**ROYALTY BURDENS - \$M**

**REVENUE**

**ROYALTY CREDITS - \$M**

**COMPANY**

**AD VAL. &**

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	0	0	0	0	0	0	0
2023	0	443	1,584	0	0	0	1,584	184
2024	0	1,659	5,934	0	0	0	5,934	691
2025	0	16,433	52,420	0	0	0	52,420	6,102
2026	0	20,737	67,708	0	0	0	67,708	7,881
2027	0	13,857	45,243	0	0	0	45,243	5,266
2028	0	11,221	36,865	0	0	0	36,865	4,291
2029	0	9,415	31,071	0	0	0	31,071	3,617
2030	0	8,208	27,205	0	0	0	27,205	3,167
2031	0	7,382	24,571	0	0	0	24,571	2,860
2032	0	6,829	22,833	0	0	0	22,833	2,658
2033	0	6,372	21,388	0	0	0	21,388	2,490
2034	0	5,991	20,172	0	0	0	20,172	2,348
2035	0	5,679	19,177	0	0	0	19,177	2,232
2036	0	5,440	18,418	0	0	0	18,418	2,144
Sub Total	0	119,665	394,590	0	0	0	394,590	45,930
Remainder	0	75,243	257,398	0	0	0	257,398	29,961
Total Future	0	194,908	651,989	0	0	0	651,989	75,891

**DEDUCTIONS - \$M**

**FUTURE NET INCOME BEFORE INCOME TAXES - \$M**

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	2	1,958	0	1,960	-1,960	-1,960	-1,944
2023	432	17,492	0	17,924	-16,524	-18,484	-14,875
2024	791	7,142	0	7,933	-2,690	-21,174	-2,143
2025	2,958	79,873	0	82,831	-36,513	-57,686	-28,303
2026	4,451	26,479	0	30,930	28,897	-28,790	19,511
2027	3,827	0	0	3,827	36,150	7,361	22,684
2028	3,720	0	0	3,720	28,854	36,215	16,450
2029	3,647	0	0	3,647	23,807	60,022	12,336
2030	3,619	0	0	3,619	20,419	80,441	9,615
2031	3,624	0	0	3,624	18,087	98,529	7,741
2032	3,653	0	0	3,653	16,523	115,051	6,428
2033	3,687	0	0	3,687	15,212	130,263	5,379
2034	3,720	0	0	3,720	14,105	144,368	4,534
2035	3,757	0	0	3,757	13,187	157,555	3,854
2036	3,803	0	0	3,803	12,472	170,027	3,313
Sub Total	45,690	132,943	0	178,633	170,027		64,580
Remainder	87,183	15,702	0	102,885	124,552	294,579	18,237
Total Future	132,873	148,645	0	281,518	294,579		82,817





CANADIAN OVERSEAS PETROLEUM LIMITED

GRAND SUMMARY

TOTAL PROBABLE  
ALL CATEGORIES

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022		20,166	17,331	13,526	98.50	0	0	0	0.00
2023	1	117,655	100,604	78,561	85.50	0	0	0	0.00
2024	6	239,346	204,277	159,549	76.99	0	0	0	0.00
2025	8	547,557	486,208	375,643	71.49	148	119	90	3.94
2026	17	1,135,639	1,018,751	785,421	73.00	551	428	327	4.02
2027	27	1,748,634	1,595,512	1,227,813	74.53	1,083	843	646	4.10
2028	33	1,663,462	1,520,105	1,170,966	76.09	1,056	822	631	4.18
2029	34	1,345,019	1,222,835	940,799	77.68	820	636	487	4.26
2030	33	1,044,304	945,761	728,601	79.31	591	459	351	4.35
2031	33	870,391	785,592	605,698	80.96	464	360	276	4.44
2032	34	756,998	680,958	525,421	82.64	379	294	225	4.53
2033	34	659,683	592,108	457,091	84.36	316	245	188	4.62
2034	34	588,570	527,165	407,155	86.12	269	209	160	4.71
2035	38	535,417	478,802	369,925	87.91	234	182	139	4.80
2036	37	493,256	440,497	340,494	89.74	206	160	123	4.90
Sub Total		11,766,097	10,616,505	8,186,663	78.80	6,116	4,757	3,644	4.31
Remainder		5,560,332	4,962,265	3,836,510	103.65	4,946	4,043	3,133	5.81
Total Future		17,326,429	15,578,771	12,023,173	86.73	11,062	8,800	6,777	5.00

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	18,560	17,771	13,464	33.00	0	0	0	0.00
2026	68,932	63,854	48,837	33.66	0	0	0	0.00
2027	135,370	125,903	96,493	34.33	0	0	0	0.00
2028	131,970	122,715	94,210	35.02	0	0	0	0.00
2029	102,443	94,961	72,735	35.72	0	0	0	0.00
2030	73,816	68,484	52,476	36.44	0	0	0	0.00
2031	57,982	53,793	41,221	37.16	0	0	0	0.00
2032	47,326	43,915	33,652	37.91	0	0	0	0.00
2033	39,452	36,613	28,057	38.66	0	0	0	0.00
2034	33,672	31,253	23,949	39.44	0	0	0	0.00
2035	29,209	27,112	20,776	40.22	0	0	0	0.00
2036	25,739	23,892	18,309	41.03	0	0	0	0.00
Sub Total	764,471	710,267	544,178	36.08	0	0	0	0.00
Remainder	550,937	490,819	379,524	47.89	0	0	0	0.00
Total Future	1,315,408	1,201,086	923,702	40.93	0	0	0	0.00



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 6-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

**CANADIAN OVERSEAS PETROLEUM LIMITED**

**GRAND SUMMARY**

**TOTAL PROBABLE  
ALL CATEGORIES**

**DISCOUNTED**

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	377,158
8.00 % -	282,313
10.00 % -	237,240
15.00 % -	161,682
20.00 % -	116,400

LIFE OF SUMMARY IS 40.42 YEARS

**GROSS REVENUE BEFORE BURDENS - \$M**

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From Sull/Other	From All Products
2022	1,707	0	0	0	0	0	0	1,707
2023	8,602	0	0	0	0	0	0	8,602
2024	15,727	0	0	0	0	0	0	15,727
2025	34,757	469	0	0	586	0	0	35,813
2026	74,364	1,719	0	0	2,149	0	0	78,233
2027	118,910	3,457	0	0	4,323	0	0	126,690
2028	115,662	3,435	0	0	4,297	0	0	123,395
2029	94,987	2,709	0	0	3,392	0	0	101,088
2030	75,005	1,995	0	0	2,495	0	0	79,495
2031	63,598	1,600	0	0	1,999	0	0	67,196
2032	56,277	1,332	0	0	1,665	0	0	59,274
2033	49,952	1,133	0	0	1,416	0	0	52,501
2034	45,401	986	0	0	1,233	0	0	47,619
2035	42,092	872	0	0	1,091	0	0	44,054
2036	39,531	784	0	0	980	0	0	41,295
Sub Total	836,573	20,490	0	0	25,626	0	0	882,689
Remainder	514,389	23,470	0	0	23,503	0	0	561,363
Total Future	1,350,962	43,961	0	0	49,129	0	0	1,444,052

**ROYALTY BURDENS - \$M**

**REVENUE**

**ROYALTY CREDITS - \$M**

**COMPANY**

**AD VAL. &**

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	375	1,332	0	0	0	1,332	155
2023	0	1,885	6,717	0	0	0	6,717	782
2024	0	3,444	12,284	0	0	0	12,284	1,430
2025	0	8,160	27,653	0	0	0	27,653	3,219
2026	0	17,942	60,291	0	0	0	60,291	7,018
2027	0	29,221	97,469	0	0	0	97,469	11,345
2028	0	28,362	95,033	0	0	0	95,033	11,062
2029	0	23,336	77,752	0	0	0	77,752	9,050
2030	0	18,272	61,223	0	0	0	61,223	7,126
2031	0	15,404	51,792	0	0	0	51,792	6,029
2032	0	13,555	45,720	0	0	0	45,720	5,322
2033	0	11,986	40,515	0	0	0	40,515	4,716
2034	0	10,854	36,765	0	0	0	36,765	4,279
2035	0	10,030	34,024	0	0	0	34,024	3,960
2036	0	9,387	31,908	0	0	0	31,908	3,714
Sub Total	0	202,211	680,478	0	0	0	680,478	79,208
Remainder	0	127,330	434,032	0	0	0	434,032	50,521
Total Future	0	329,542	1,114,510	0	0	0	1,114,510	129,729

**DEDUCTIONS - \$M**

**FUTURE NET INCOME BEFORE INCOME TAXES - \$M**

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	78	0	0	78	1,100	1,100	1,077
2023	459	1,656	0	2,115	3,820	4,919	3,481
2024	1,149	10,881	0	12,030	-1,176	3,743	-952
2025	1,826	6,838	0	8,664	15,770	19,513	11,936
2026	2,990	35,947	0	38,937	14,336	33,849	9,478
2027	3,453	44,949	0	48,401	37,722	71,571	23,341
2028	3,298	9,520	0	12,818	71,153	142,724	40,599
2029	3,847	18,146	0	21,993	46,709	189,433	24,138
2030	4,403	0	0	4,403	49,694	239,127	23,414
2031	4,267	0	0	4,267	41,497	280,624	17,767
2032	4,221	0	0	4,221	36,177	316,800	14,080
2033	4,175	-197	0	3,978	31,820	348,621	11,254
2034	4,140	198	0	4,337	28,148	376,769	9,048
2035	4,272	0	0	4,272	25,792	402,561	7,538
2036	4,361	0	0	4,361	23,833	426,394	6,333
Sub Total	46,938	127,938	0	174,876	426,394		202,531
Remainder	125,002	9,817	0	134,819	248,692	675,086	34,709
Total Future	171,940	137,755	0	309,695	675,086		237,240



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

TABLE 7-A  
(VOLUMES)

FRI SEP 2 12:23:33 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

**GRAND SUMMARY**

**PROBABLE  
PRODUCING**

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022		19,753	16,980	13,251	98.50	0	0	0	0.00
2023		105,435	90,113	70,377	85.50	0	0	0	0.00
2024		147,438	125,849	98,303	77.00	0	0	0	0.00
2025		154,117	131,537	102,747	71.50	0	0	0	0.00
2026		146,300	124,894	97,555	73.00	0	0	0	0.00
2027		129,326	110,460	86,275	74.53	0	0	0	0.00
2028	1	116,226	99,319	77,568	76.09	0	0	0	0.00
2029	1	105,654	90,323	70,539	77.68	0	0	0	0.00
2030		97,802	83,640	65,317	79.31	0	0	0	0.00
2031		90,512	77,435	60,468	80.96	0	0	0	0.00
2032	1	84,786	72,531	56,626	82.65	0	0	0	0.00
2033	1	79,701	68,179	53,220	84.37	0	0	0	0.00
2034	1	74,841	64,042	49,989	86.13	0	0	0	0.00
2035	1	70,056	59,986	46,826	87.92	0	0	0	0.00
2036		65,775	56,376	44,015	89.75	0	0	0	0.00
Sub Total		1,487,719	1,271,666	993,075	79.34	0	0	0	0.00
Remainder		780,492	674,406	526,056	103.45	1,749	1,487	1,162	5.92
Total Future		2,268,211	1,946,073	1,519,132	87.69	1,749	1,487	1,162	5.92

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lb) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	174,865	148,699	116,206	48.48	0	0	0	0.00
Total Future	174,865	148,699	116,206	48.48	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.

FRI SEP 2 12:23:33 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

GRAND SUMMARY

PROBABLE  
PRODUCING

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	58,159
8.00 % -	44,886
10.00 % -	38,770
15.00 % -	28,730
20.00 % -	22,730

LIFE OF SUMMARY IS 40.42 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	1,672	0	0	0	0	0	0	1,672
2023	7,705	0	0	0	0	0	0	7,705
2024	9,690	0	0	0	0	0	0	9,690
2025	9,405	0	0	0	0	0	0	9,405
2026	9,117	0	0	0	0	0	0	9,117
2027	8,233	0	0	0	0	0	0	8,233
2028	7,557	0	0	0	0	0	0	7,557
2029	7,016	0	0	0	0	0	0	7,016
2030	6,634	0	0	0	0	0	0	6,634
2031	6,269	0	0	0	0	0	0	6,269
2032	5,995	0	0	0	0	0	0	5,995
2033	5,752	0	0	0	0	0	0	5,752
2034	5,516	0	0	0	0	0	0	5,516
2035	5,274	0	0	0	0	0	0	5,274
2036	5,060	0	0	0	0	0	0	5,060
Sub Total	100,895	0	0	0	0	0	0	100,895
Remainder	69,770	8,803	0	0	7,210	0	0	85,783
Total Future	170,666	8,803	0	0	7,210	0	0	186,678

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	367	1,305	0	0	0	1,305	152
2023	0	1,687	6,017	0	0	0	6,017	700
2024	0	2,121	7,569	0	0	0	7,569	881
2025	0	2,059	7,346	0	0	0	7,346	855
2026	0	1,996	7,122	0	0	0	7,122	829
2027	0	1,803	6,430	0	0	0	6,430	748
2028	0	1,655	5,902	0	0	0	5,902	687
2029	0	1,537	5,479	0	0	0	5,479	638
2030	0	1,453	5,180	0	0	0	5,180	603
2031	0	1,374	4,895	0	0	0	4,895	570
2032	0	1,315	4,680	0	0	0	4,680	545
2033	0	1,262	4,490	0	0	0	4,490	523
2034	0	1,210	4,306	0	0	0	4,306	501
2035	0	1,157	4,117	0	0	0	4,117	479
2036	0	1,109	3,950	0	0	0	3,950	460
Sub Total	0	22,105	78,790	0	0	0	78,790	9,171
Remainder	0	18,849	66,934	0	0	0	66,934	7,791
Total Future	0	40,954	145,725	0	0	0	145,725	16,962

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	76	0	0	76	1,077	1,077	1,055
2023	508	2,646	0	3,154	2,163	3,240	1,949
2024	687	0	0	687	6,001	9,241	4,995
2025	713	0	0	713	5,778	15,019	4,377
2026	685	0	0	685	5,608	20,627	3,864
2027	623	185	0	808	4,874	25,500	3,056
2028	582	0	0	582	4,633	30,133	2,639
2029	542	0	0	542	4,299	34,433	2,226
2030	505	0	0	505	4,073	38,505	1,917
2031	476	0	0	476	3,850	42,355	1,647
2032	488	0	0	488	3,647	46,002	1,419
2033	493	-197	0	296	3,671	49,673	1,295
2034	474	198	0	672	3,132	52,806	1,004
2035	435	0	0	435	3,203	56,009	936
2036	376	0	0	376	3,115	59,123	827
Sub Total	7,663	2,832	0	10,496	59,123		33,204
Remainder	13,925	1,063	0	14,988	44,155	103,278	5,566
Total Future	21,588	3,895	0	25,484	103,278		38,770



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
**CURRENCY : USD PRICE SCENARIO : ESCALATED**  
**AS OF JULY 31, 2022**

TABLE 8-A  
(VOLUMES)

FRI SEP 2 12:23:33 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

**GRAND SUMMARY**

**PROBABLE  
NON-PRODUCING**

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022		0	0	0	0.00	0	0	0	0.00
2023		992	944	723	85.50	0	0	0	0.00
2024		2,855	2,700	2,066	77.00	0	0	0	0.00
2025		2,292	2,167	1,659	71.50	0	0	0	0.00
2026		1,972	1,865	1,427	73.00	0	0	0	0.00
2027		1,718	1,625	1,244	74.53	0	0	0	0.00
2028		1,517	1,435	1,098	76.09	0	0	0	0.00
2029		1,344	1,271	973	77.68	0	0	0	0.00
2030		1,204	1,139	871	79.31	0	0	0	0.00
2031		1,086	1,027	786	80.96	0	0	0	0.00
2032		987	934	715	82.65	0	0	0	0.00
2033		898	849	650	84.37	0	0	0	0.00
2034		823	779	596	86.13	0	0	0	0.00
2035	4	3,862	3,636	2,760	87.92	0	0	0	0.00
2036	4	5,741	5,437	4,172	89.75	0	0	0	0.00
Sub Total		27,292	25,808	19,739	81.59	0	0	0	0.00
Remainder		266	262	204	91.62	0	0	0	0.00
Total Future		27,557	26,070	19,943	81.69	0	0	0	0.00

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 8-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

**GRAND SUMMARY**

**PROBABLE  
NON-PRODUCING**

**DISCOUNTED**

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	709
8.00 % -	617
10.00 % -	564
15.00 % -	457
20.00 % -	378

LIFE OF SUMMARY IS 13.50 YEARS

**GROSS REVENUE BEFORE BURDENS - \$M**

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From Sull/Other	From All Products
2022	0	0	0	0	0	0	0	0
2023	81	0	0	0	0	0	0	81
2024	208	0	0	0	0	0	0	208
2025	155	0	0	0	0	0	0	155
2026	136	0	0	0	0	0	0	136
2027	121	0	0	0	0	0	0	121
2028	109	0	0	0	0	0	0	109
2029	99	0	0	0	0	0	0	99
2030	90	0	0	0	0	0	0	90
2031	83	0	0	0	0	0	0	83
2032	77	0	0	0	0	0	0	77
2033	72	0	0	0	0	0	0	72
2034	67	0	0	0	0	0	0	67
2035	320	0	0	0	0	0	0	320
2036	488	0	0	0	0	0	0	488
Sub Total	2,106	0	0	0	0	0	0	2,106
Remainder	24	0	0	0	0	0	0	24
Total Future	2,130	0	0	0	0	0	0	2,130

**ROYALTY BURDENS - \$M**

**REVENUE**

**ROYALTY CREDITS - \$M**

**COMPANY**

**AD VAL. &**

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	0	0	0	0	0	0	0
2023	0	19	62	0	0	0	62	7
2024	0	49	159	0	0	0	159	19
2025	0	36	119	0	0	0	119	14
2026	0	32	104	0	0	0	104	12
2027	0	28	93	0	0	0	93	11
2028	0	26	84	0	0	0	84	10
2029	0	23	76	0	0	0	76	9
2030	0	21	69	0	0	0	69	8
2031	0	20	64	0	0	0	64	7
2032	0	18	59	0	0	0	59	7
2033	0	17	55	0	0	0	55	6
2034	0	16	51	0	0	0	51	6
2035	0	77	243	0	0	0	243	28
2036	0	114	374	0	0	0	374	44
Sub Total	0	495	1,611	0	0	0	1,611	187
Remainder	0	5	19	0	0	0	19	2
Total Future	0	501	1,629	0	0	0	1,629	190

**DEDUCTIONS - \$M**

**FUTURE NET INCOME BEFORE INCOME TAXES - \$M**

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	0	0	0	0	0	0	0
2023	1	0	0	1	54	54	48
2024	3	0	0	3	138	191	115
2025	2	0	0	2	102	294	78
2026	2	0	0	2	90	384	62
2027	2	0	0	2	80	464	50
2028	2	0	0	2	72	536	41
2029	1	0	0	1	65	601	34
2030	1	0	0	1	60	661	28
2031	1	0	0	1	55	716	24
2032	1	0	0	1	51	767	20
2033	1	0	0	1	47	814	17
2034	1	0	0	1	44	859	14
2035	177	0	0	177	38	896	11
2036	315	0	0	315	16	912	4
Sub Total	511	0	0	511	912		545
Remainder	16	28	0	44	-28	885	19
Total Future	527	28	0	555	885		564



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 9-A  
(VOLUMES)

FRI SEP 2 12:23:33 2022

CANADIAN OVERSEAS PETROLEUM LIMITED

GRAND SUMMARY

PROBABLE  
UNDEVELOPED

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022		414	352	275	98.50	0	0	0	0.00
2023	1	11,227	9,547	7,461	85.50	0	0	0	0.00
2024	6	89,054	75,728	59,181	76.97	0	0	0	0.00
2025	8	391,148	352,503	271,237	71.48	148	119	90	3.94
2026	17	987,367	891,992	686,439	73.00	551	428	327	4.02
2027	27	1,617,590	1,483,427	1,140,294	74.53	1,083	843	646	4.10
2028	32	1,545,719	1,419,351	1,092,300	76.09	1,056	822	631	4.18
2029	33	1,238,022	1,131,240	869,287	77.68	820	636	487	4.26
2030	33	945,298	860,982	662,413	79.31	591	459	351	4.35
2031	33	778,794	707,130	544,445	80.95	464	360	276	4.44
2032	33	671,224	607,493	468,080	82.64	379	294	225	4.53
2033	33	579,084	523,079	403,220	84.36	316	245	188	4.62
2034	33	512,906	462,344	356,570	86.12	269	209	160	4.71
2035	33	461,499	415,180	320,340	87.91	234	182	139	4.80
2036	33	421,740	378,685	292,307	89.74	206	160	123	4.90
Sub Total		10,251,086	9,319,032	7,173,849	78.72	6,116	4,757	3,644	4.31
Remainder		4,779,574	4,287,597	3,310,250	103.69	3,197	2,556	1,971	5.74
Total Future		15,030,661	13,606,629	10,484,098	86.60	9,313	7,313	5,615	4.81

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	18,560	17,771	13,464	33.00	0	0	0	0.00
2026	68,932	63,854	48,837	33.66	0	0	0	0.00
2027	135,370	125,903	96,493	34.33	0	0	0	0.00
2028	131,970	122,715	94,210	35.02	0	0	0	0.00
2029	102,443	94,961	72,735	35.72	0	0	0	0.00
2030	73,816	68,484	52,476	36.44	0	0	0	0.00
2031	57,982	53,793	41,221	37.16	0	0	0	0.00
2032	47,326	43,915	33,652	37.91	0	0	0	0.00
2033	39,452	36,613	28,057	38.66	0	0	0	0.00
2034	33,672	31,253	23,949	39.44	0	0	0	0.00
2035	29,209	27,112	20,776	40.22	0	0	0	0.00
2036	25,739	23,892	18,309	41.03	0	0	0	0.00
Sub Total	764,471	710,267	544,178	36.08	0	0	0	0.00
Remainder	376,072	342,121	263,317	47.63	0	0	0	0.00
Total Future	1,140,543	1,052,387	807,496	39.85	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 9-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

**CANADIAN OVERSEAS PETROLEUM LIMITED**

**GRAND SUMMARY**

**PROBABLE  
UNDEVELOPED**

**DISCOUNTED**

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	318,290
8.00 % -	236,811
10.00 % -	197,906
15.00 % -	132,496
20.00 % -	93,292

LIFE OF SUMMARY IS 38.58 YEARS

**GROSS REVENUE BEFORE BURDENS - \$M**

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	35	0	0	0	0	0	0	35
2023	816	0	0	0	0	0	0	816
2024	5,829	0	0	0	0	0	0	5,829
2025	25,197	469	0	0	586	0	0	26,253
2026	65,111	1,719	0	0	2,149	0	0	68,979
2027	110,557	3,457	0	0	4,323	0	0	118,336
2028	107,996	3,435	0	0	4,297	0	0	115,728
2029	87,872	2,709	0	0	3,392	0	0	93,973
2030	68,281	1,995	0	0	2,495	0	0	72,771
2031	57,245	1,600	0	0	1,999	0	0	60,844
2032	50,205	1,332	0	0	1,665	0	0	53,202
2033	44,128	1,133	0	0	1,416	0	0	46,677
2034	39,818	986	0	0	1,233	0	0	42,036
2035	36,499	872	0	0	1,091	0	0	38,461
2036	33,983	784	0	0	980	0	0	35,747
Sub Total	733,572	20,490	0	0	25,626	0	0	779,688
Remainder	444,595	14,668	0	0	16,293	0	0	475,556
Total Future	1,178,167	35,158	0	0	41,919	0	0	1,255,244

**ROYALTY BURDENS - \$M**

**REVENUE**

**ROYALTY CREDITS - \$M**

**COMPANY**

**AD VAL. &**

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	8	27	0	0	0	27	3
2023	0	178	638	0	0	0	638	74
2024	0	1,274	4,555	0	0	0	4,555	530
2025	0	6,065	20,188	0	0	0	20,188	2,350
2026	0	15,914	53,065	0	0	0	53,065	6,177
2027	0	27,390	90,946	0	0	0	90,946	10,586
2028	0	26,681	89,047	0	0	0	89,047	10,365
2029	0	21,776	72,197	0	0	0	72,197	8,404
2030	0	16,797	55,974	0	0	0	55,974	6,515
2031	0	14,011	46,833	0	0	0	46,833	5,451
2032	0	12,222	40,980	0	0	0	40,980	4,770
2033	0	10,707	35,970	0	0	0	35,970	4,187
2034	0	9,628	32,408	0	0	0	32,408	3,772
2035	0	8,796	29,665	0	0	0	29,665	3,453
2036	0	8,164	27,584	0	0	0	27,584	3,211
Sub Total	0	179,611	600,077	0	0	0	600,077	69,849
Remainder	0	108,476	367,079	0	0	0	367,079	42,728
Total Future	0	288,088	967,156	0	0	0	967,156	112,577

**DEDUCTIONS - \$M**

**FUTURE NET INCOME BEFORE INCOME TAXES - \$M**

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	1	0	0	1	22	22	22
2023	-50	-990	0	-1,040	1,603	1,626	1,485
2024	459	10,881	0	11,340	-7,315	-5,689	-6,062
2025	1,111	6,838	0	7,949	9,889	4,200	7,481
2026	2,303	35,947	0	38,250	8,638	12,839	5,553
2027	2,828	44,763	0	47,591	32,768	45,607	20,235
2028	2,714	9,520	0	12,234	66,448	112,055	37,919
2029	3,304	18,146	0	21,449	42,344	154,399	21,878
2030	3,897	0	0	3,897	45,562	199,961	21,469
2031	3,789	0	0	3,789	37,592	237,553	16,096
2032	3,732	0	0	3,732	32,478	270,031	12,642
2033	3,681	0	0	3,681	28,102	298,133	9,941
2034	3,664	0	0	3,664	24,972	323,105	8,030
2035	3,661	0	0	3,661	22,551	345,656	6,591
2036	3,670	0	0	3,670	20,703	366,359	5,501
Sub Total	38,764	125,106	0	163,869	366,359		168,782
Remainder	111,061	8,725	0	119,787	204,564	570,923	29,125
Total Future	149,825	133,831	0	283,656	570,923		197,906



# PROPERTY SUMMARY PROJECTIONS



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 10-A  
(VOLUMES)

FRI SEP 2 12:23:33 2022

BFU DAKOTA

FIELD SUMMARY

TOTAL PV+PB  
ALL CATEGORIES

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	1	3,378	3,378	2,652	98.50	0	0	0	0.00
2023	1	7,525	7,525	5,908	85.50	0	0	0	0.00
2024	1	6,900	6,900	5,418	77.00	0	0	0	0.00
2025	1	6,343	6,343	4,980	71.50	0	0	0	0.00
2026	1	5,887	5,887	4,622	73.00	0	0	0	0.00
2027	1	5,495	5,495	4,314	74.53	0	0	0	0.00
2028	1	5,168	5,168	4,057	76.09	0	0	0	0.00
2029	1	4,854	4,854	3,811	77.68	0	0	0	0.00
2030	1	4,589	4,589	3,603	79.31	0	0	0	0.00
2031	1	4,352	4,352	3,417	80.96	0	0	0	0.00
2032	1	4,151	4,151	3,259	82.65	0	0	0	0.00
2033	1	3,948	3,948	3,100	84.37	0	0	0	0.00
2034	1	3,770	3,770	2,960	86.13	0	0	0	0.00
2035	1	3,601	3,601	2,827	87.92	0	0	0	0.00
2036	1	3,448	3,448	2,707	89.75	0	0	0	0.00
Sub Total		73,408	73,408	57,635	80.56	0	0	0	0.00
Remainder		44,058	44,058	34,591	103.87	0	0	0	0.00
Total Future		117,466	117,466	92,226	89.30	0	0	0	0.00

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 10-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

BFU DAKOTA

FIELD SUMMARY

TOTAL PV+PB  
ALL CATEGORIES

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	2,374
8.00 % -	1,987
10.00 % -	1,791
15.00 % -	1,445
20.00 % -	1,223

LIFE OF SUMMARY IS 34.50 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	333	0	0	0	0	0	0	333
2023	643	0	0	0	0	0	0	643
2024	531	0	0	0	0	0	0	531
2025	454	0	0	0	0	0	0	454
2026	430	0	0	0	0	0	0	430
2027	410	0	0	0	0	0	0	410
2028	393	0	0	0	0	0	0	393
2029	377	0	0	0	0	0	0	377
2030	364	0	0	0	0	0	0	364
2031	352	0	0	0	0	0	0	352
2032	343	0	0	0	0	0	0	343
2033	333	0	0	0	0	0	0	333
2034	325	0	0	0	0	0	0	325
2035	317	0	0	0	0	0	0	317
2036	309	0	0	0	0	0	0	309
Sub Total	5,914	0	0	0	0	0	0	5,914
Remainder	4,576	0	0	0	0	0	0	4,576
Total Future	10,490	0	0	0	0	0	0	10,490

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	71	261	0	0	0	261	30
2023	0	138	505	0	0	0	505	59
2024	0	114	417	0	0	0	417	49
2025	0	97	356	0	0	0	356	41
2026	0	92	337	0	0	0	337	39
2027	0	88	322	0	0	0	322	37
2028	0	84	309	0	0	0	309	36
2029	0	81	296	0	0	0	296	34
2030	0	78	286	0	0	0	286	33
2031	0	76	277	0	0	0	277	32
2032	0	74	269	0	0	0	269	31
2033	0	72	262	0	0	0	262	30
2034	0	70	255	0	0	0	255	30
2035	0	68	249	0	0	0	249	29
2036	0	66	243	0	0	0	243	28
Sub Total	0	1,271	4,643	0	0	0	4,643	540
Remainder	0	983	3,593	0	0	0	3,593	418
Total Future	0	2,254	8,236	0	0	0	8,236	959

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	45	0	0	45	186	186	182
2023	107	0	0	107	339	525	311
2024	106	0	0	106	263	788	219
2025	104	0	0	104	211	999	160
2026	102	0	0	102	196	1,195	135
2027	101	0	0	101	183	1,378	115
2028	101	0	0	101	172	1,550	98
2029	100	0	0	100	161	1,711	84
2030	100	0	0	100	152	1,864	72
2031	100	0	0	100	144	2,008	62
2032	100	0	0	100	138	2,146	54
2033	100	0	0	100	131	2,276	46
2034	101	0	0	101	124	2,401	40
2035	101	0	0	101	118	2,519	35
2036	102	0	0	102	113	2,632	30
Sub Total	1,471	0	0	1,471	2,632		1,641
Remainder	2,124	301	0	2,424	751	3,382	150
Total Future	3,595	301	0	3,895	3,382		1,791

FRI SEP 2 12:23:33 2022

## BFU DAKOTA

## FIELD SUMMARY

 TOTAL PROVED  
 ALL CATEGORIES

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl)	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf)
		Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	1	3,058	3,058	2,401	98.50	0	0	0	0.00
2023	1	6,745	6,745	5,296	85.50	0	0	0	0.00
2024	1	6,107	6,107	4,795	77.00	0	0	0	0.00
2025	1	5,551	5,551	4,358	71.50	0	0	0	0.00
2026	1	5,101	5,101	4,005	73.00	0	0	0	0.00
2027	1	4,718	4,718	3,704	74.53	0	0	0	0.00
2028	1	4,400	4,400	3,454	76.09	0	0	0	0.00
2029	1	4,101	4,101	3,220	77.68	0	0	0	0.00
2030	1	3,850	3,850	3,022	79.31	0	0	0	0.00
2031	1	3,627	3,627	2,848	80.96	0	0	0	0.00
2032	1	3,439	3,439	2,700	82.65	0	0	0	0.00
2033	1	3,251	3,251	2,553	84.37	0	0	0	0.00
2034	1	3,089	3,089	2,425	86.13	0	0	0	0.00
2035	1	2,934	2,934	2,304	87.92	0	0	0	0.00
2036	1	2,795	2,795	2,195	89.75	0	0	0	0.00
Sub Total		62,765	62,765	49,279	80.53	0	0	0	0.00
Remainder		27,261	27,261	21,403	102.07	0	0	0	0.00
Total Future		90,026	90,026	70,682	87.06	0	0	0	0.00

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl)	BUTANE PRODUCTION (BARRELS)			(\$/bbl)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl)	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 11-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

BFU DAKOTA

FIELD SUMMARY

TOTAL PROVED  
ALL CATEGORIES

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	1,806
8.00 % -	1,565
10.00 % -	1,434
15.00 % -	1,190
20.00 % -	1,023

LIFE OF SUMMARY IS 28.50 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	301	0	0	0	0	0	0	301
2023	577	0	0	0	0	0	0	577
2024	470	0	0	0	0	0	0	470
2025	397	0	0	0	0	0	0	397
2026	372	0	0	0	0	0	0	372
2027	352	0	0	0	0	0	0	352
2028	335	0	0	0	0	0	0	335
2029	319	0	0	0	0	0	0	319
2030	305	0	0	0	0	0	0	305
2031	294	0	0	0	0	0	0	294
2032	284	0	0	0	0	0	0	284
2033	274	0	0	0	0	0	0	274
2034	266	0	0	0	0	0	0	266
2035	258	0	0	0	0	0	0	258
2036	251	0	0	0	0	0	0	251
Sub Total	5,055	0	0	0	0	0	0	5,055
Remainder	2,783	0	0	0	0	0	0	2,783
Total Future	7,837	0	0	0	0	0	0	7,837

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	65	236	0	0	0	236	28
2023	0	124	453	0	0	0	453	53
2024	0	101	369	0	0	0	369	43
2025	0	85	312	0	0	0	312	36
2026	0	80	292	0	0	0	292	34
2027	0	76	276	0	0	0	276	32
2028	0	72	263	0	0	0	263	31
2029	0	68	250	0	0	0	250	29
2030	0	66	240	0	0	0	240	28
2031	0	63	231	0	0	0	231	27
2032	0	61	223	0	0	0	223	26
2033	0	59	215	0	0	0	215	25
2034	0	57	209	0	0	0	209	24
2035	0	55	203	0	0	0	203	24
2036	0	54	197	0	0	0	197	23
Sub Total	0	1,086	3,969	0	0	0	3,969	462
Remainder	0	598	2,185	0	0	0	2,185	254
Total Future	0	1,684	6,153	0	0	0	6,153	716

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	43	0	0	43	166	166	163
2023	101	0	0	101	299	465	274
2024	100	0	0	100	226	691	189
2025	98	0	0	98	178	869	135
2026	96	0	0	96	162	1,031	112
2027	95	0	0	95	149	1,179	93
2028	95	0	0	95	138	1,317	78
2029	94	0	0	94	127	1,444	66
2030	94	0	0	94	118	1,562	56
2031	94	0	0	94	110	1,672	47
2032	94	0	0	94	103	1,775	40
2033	94	0	0	94	96	1,871	34
2034	95	0	0	95	90	1,960	29
2035	95	0	0	95	84	2,044	24
2036	96	0	0	96	78	2,122	21
Sub Total	1,385	0	0	1,385	2,122		1,360
Remainder	1,421	301	0	1,721	209	2,331	75
Total Future	2,805	301	0	3,106	2,331		1,434

**BFU DAKOTA**

**FIELD SUMMARY**

**PROVED  
PRODUCING**

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	1	3,058	3,058	2,401	98.50	0	0	0	0.00
2023	1	6,745	6,745	5,296	85.50	0	0	0	0.00
2024	1	6,107	6,107	4,795	77.00	0	0	0	0.00
2025	1	5,551	5,551	4,358	71.50	0	0	0	0.00
2026	1	5,101	5,101	4,005	73.00	0	0	0	0.00
2027	1	4,718	4,718	3,704	74.53	0	0	0	0.00
2028	1	4,400	4,400	3,454	76.09	0	0	0	0.00
2029	1	4,101	4,101	3,220	77.68	0	0	0	0.00
2030	1	3,850	3,850	3,022	79.31	0	0	0	0.00
2031	1	3,627	3,627	2,848	80.96	0	0	0	0.00
2032	1	3,439	3,439	2,700	82.65	0	0	0	0.00
2033	1	3,251	3,251	2,553	84.37	0	0	0	0.00
2034	1	3,089	3,089	2,425	86.13	0	0	0	0.00
2035	1	2,934	2,934	2,304	87.92	0	0	0	0.00
2036	1	2,795	2,795	2,195	89.75	0	0	0	0.00
Sub Total		62,765	62,765	49,279	80.53	0	0	0	0.00
Remainder		27,261	27,261	21,403	102.07	0	0	0	0.00
Total Future		90,026	90,026	70,682	87.06	0	0	0	0.00

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lb) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 12-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

BFU DAKOTA

FIELD SUMMARY

PROVED  
PRODUCING

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	1,806
8.00 % -	1,565
10.00 % -	1,434
15.00 % -	1,190
20.00 % -	1,023

LIFE OF SUMMARY IS 28.50 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	301	0	0	0	0	0	0	301
2023	577	0	0	0	0	0	0	577
2024	470	0	0	0	0	0	0	470
2025	397	0	0	0	0	0	0	397
2026	372	0	0	0	0	0	0	372
2027	352	0	0	0	0	0	0	352
2028	335	0	0	0	0	0	0	335
2029	319	0	0	0	0	0	0	319
2030	305	0	0	0	0	0	0	305
2031	294	0	0	0	0	0	0	294
2032	284	0	0	0	0	0	0	284
2033	274	0	0	0	0	0	0	274
2034	266	0	0	0	0	0	0	266
2035	258	0	0	0	0	0	0	258
2036	251	0	0	0	0	0	0	251
Sub Total	5,055	0	0	0	0	0	0	5,055
Remainder	2,783	0	0	0	0	0	0	2,783
Total Future	7,837	0	0	0	0	0	0	7,837

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	65	236	0	0	0	236	28
2023	0	124	453	0	0	0	453	53
2024	0	101	369	0	0	0	369	43
2025	0	85	312	0	0	0	312	36
2026	0	80	292	0	0	0	292	34
2027	0	76	276	0	0	0	276	32
2028	0	72	263	0	0	0	263	31
2029	0	68	250	0	0	0	250	29
2030	0	66	240	0	0	0	240	28
2031	0	63	231	0	0	0	231	27
2032	0	61	223	0	0	0	223	26
2033	0	59	215	0	0	0	215	25
2034	0	57	209	0	0	0	209	24
2035	0	55	203	0	0	0	203	24
2036	0	54	197	0	0	0	197	23
Sub Total	0	1,086	3,969	0	0	0	3,969	462
Remainder	0	598	2,185	0	0	0	2,185	254
Total Future	0	1,684	6,153	0	0	0	6,153	716

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	43	0	0	43	166	166	163
2023	101	0	0	101	299	465	274
2024	100	0	0	100	226	691	189
2025	98	0	0	98	178	869	135
2026	96	0	0	96	162	1,031	112
2027	95	0	0	95	149	1,179	93
2028	95	0	0	95	138	1,317	78
2029	94	0	0	94	127	1,444	66
2030	94	0	0	94	118	1,562	56
2031	94	0	0	94	110	1,672	47
2032	94	0	0	94	103	1,775	40
2033	94	0	0	94	96	1,871	34
2034	95	0	0	95	90	1,960	29
2035	95	0	0	95	84	2,044	24
2036	96	0	0	96	78	2,122	21
Sub Total	1,385	0	0	1,385	2,122		1,360
Remainder	1,421	301	0	1,721	209	2,331	75
Total Future	2,805	301	0	3,106	2,331		1,434



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 13-A  
(VOLUMES)

FRI SEP 2 12:23:33 2022

BFU DAKOTA

FIELD SUMMARY

TOTAL PROBABLE  
ALL CATEGORIES

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022		320	320	251	98.50	0	0	0	0.00
2023		780	780	612	85.50	0	0	0	0.00
2024		793	793	623	77.00	0	0	0	0.00
2025		792	792	622	71.50	0	0	0	0.00
2026		787	787	618	73.00	0	0	0	0.00
2027		777	777	610	74.53	0	0	0	0.00
2028		768	768	603	76.09	0	0	0	0.00
2029		753	753	591	77.68	0	0	0	0.00
2030		739	739	580	79.31	0	0	0	0.00
2031		725	725	569	80.96	0	0	0	0.00
2032		713	713	559	82.65	0	0	0	0.00
2033		696	696	547	84.37	0	0	0	0.00
2034		682	682	535	86.13	0	0	0	0.00
2035		666	666	523	87.92	0	0	0	0.00
2036		653	653	513	89.75	0	0	0	0.00
Sub Total		10,643	10,643	8,356	80.71	0	0	0	0.00
Remainder		16,797	16,797	13,188	106.80	0	0	0	0.00
Total Future		27,440	27,440	21,544	96.68	0	0	0	0.00

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.





CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 13-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

BFU DAKOTA

FIELD SUMMARY

TOTAL PROBABLE  
ALL CATEGORIES

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	568
8.00 % -	422
10.00 % -	357
15.00 % -	255
20.00 % -	199

LIFE OF SUMMARY IS 34.50 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From Sull/Other	From All Products
2022	32	0	0	0	0	0	0	32
2023	67	0	0	0	0	0	0	67
2024	61	0	0	0	0	0	0	61
2025	57	0	0	0	0	0	0	57
2026	57	0	0	0	0	0	0	57
2027	58	0	0	0	0	0	0	58
2028	58	0	0	0	0	0	0	58
2029	58	0	0	0	0	0	0	58
2030	59	0	0	0	0	0	0	59
2031	59	0	0	0	0	0	0	59
2032	59	0	0	0	0	0	0	59
2033	59	0	0	0	0	0	0	59
2034	59	0	0	0	0	0	0	59
2035	59	0	0	0	0	0	0	59
2036	59	0	0	0	0	0	0	59
Sub Total	859	0	0	0	0	0	0	859
Remainder	1,794	0	0	0	0	0	0	1,794
Total Future	2,653	0	0	0	0	0	0	2,653

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	7	25	0	0	0	25	3
2023	0	14	52	0	0	0	52	6
2024	0	13	48	0	0	0	48	6
2025	0	12	44	0	0	0	44	5
2026	0	12	45	0	0	0	45	5
2027	0	12	45	0	0	0	45	5
2028	0	13	46	0	0	0	46	5
2029	0	13	46	0	0	0	46	5
2030	0	13	46	0	0	0	46	5
2031	0	13	46	0	0	0	46	5
2032	0	13	46	0	0	0	46	5
2033	0	13	46	0	0	0	46	5
2034	0	13	46	0	0	0	46	5
2035	0	13	46	0	0	0	46	5
2036	0	13	46	0	0	0	46	5
Sub Total	0	185	674	0	0	0	674	79
Remainder	0	385	1,408	0	0	0	1,408	164
Total Future	0	570	2,083	0	0	0	2,083	242

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	DEDUCTIONS - \$M				FUTURE NET INCOME BEFORE INCOME TAXES - \$M		
	Operating Costs	Capital Costs	Other Costs	Total Costs	Undiscounted Annual	Undiscounted Cumulative	Discounted @ 10 %
2022	2	0	0	2	20	20	19
2023	6	0	0	6	41	60	37
2024	6	0	0	6	37	97	30
2025	6	0	0	6	33	130	25
2026	6	0	0	6	34	164	23
2027	6	0	0	6	34	198	21
2028	6	0	0	6	34	233	20
2029	6	0	0	6	34	267	18
2030	6	0	0	6	35	302	16
2031	6	0	0	6	35	336	15
2032	6	0	0	6	35	371	14
2033	6	0	0	6	35	406	12
2034	6	0	0	6	35	440	11
2035	6	0	0	6	35	475	10
2036	6	0	0	6	35	509	9
Sub Total	86	0	0	86	509		282
Remainder	703	0	0	703	541	1,051	75
Total Future	790	0	0	790	1,051		357



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 14-A  
(VOLUMES)

FRI SEP 2 12:23:33 2022

**BFU DAKOTA**

**FIELD SUMMARY**

**PROBABLE  
PRODUCING**

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022		320	320	251	98.50	0	0	0	0.00
2023		780	780	612	85.50	0	0	0	0.00
2024		793	793	623	77.00	0	0	0	0.00
2025		792	792	622	71.50	0	0	0	0.00
2026		787	787	618	73.00	0	0	0	0.00
2027		777	777	610	74.53	0	0	0	0.00
2028		768	768	603	76.09	0	0	0	0.00
2029		753	753	591	77.68	0	0	0	0.00
2030		739	739	580	79.31	0	0	0	0.00
2031		725	725	569	80.96	0	0	0	0.00
2032		713	713	559	82.65	0	0	0	0.00
2033		696	696	547	84.37	0	0	0	0.00
2034		682	682	535	86.13	0	0	0	0.00
2035		666	666	523	87.92	0	0	0	0.00
2036		653	653	513	89.75	0	0	0	0.00
Sub Total		10,643	10,643	8,356	80.71	0	0	0	0.00
Remainder		16,797	16,797	13,188	106.80	0	0	0	0.00
Total Future		27,440	27,440	21,544	96.68	0	0	0	0.00

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 14-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

BFU DAKOTA

FIELD SUMMARY

PROBABLE  
PRODUCING

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	568
8.00 % -	422
10.00 % -	357
15.00 % -	255
20.00 % -	199

LIFE OF SUMMARY IS 34.50 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From Sull/Other	From All Products
2022	32	0	0	0	0	0	0	32
2023	67	0	0	0	0	0	0	67
2024	61	0	0	0	0	0	0	61
2025	57	0	0	0	0	0	0	57
2026	57	0	0	0	0	0	0	57
2027	58	0	0	0	0	0	0	58
2028	58	0	0	0	0	0	0	58
2029	58	0	0	0	0	0	0	58
2030	59	0	0	0	0	0	0	59
2031	59	0	0	0	0	0	0	59
2032	59	0	0	0	0	0	0	59
2033	59	0	0	0	0	0	0	59
2034	59	0	0	0	0	0	0	59
2035	59	0	0	0	0	0	0	59
2036	59	0	0	0	0	0	0	59
Sub Total	859	0	0	0	0	0	0	859
Remainder	1,794	0	0	0	0	0	0	1,794
Total Future	2,653	0	0	0	0	0	0	2,653

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	7	25	0	0	0	25	3
2023	0	14	52	0	0	0	52	6
2024	0	13	48	0	0	0	48	6
2025	0	12	44	0	0	0	44	5
2026	0	12	45	0	0	0	45	5
2027	0	12	45	0	0	0	45	5
2028	0	13	46	0	0	0	46	5
2029	0	13	46	0	0	0	46	5
2030	0	13	46	0	0	0	46	5
2031	0	13	46	0	0	0	46	5
2032	0	13	46	0	0	0	46	5
2033	0	13	46	0	0	0	46	5
2034	0	13	46	0	0	0	46	5
2035	0	13	46	0	0	0	46	5
2036	0	13	46	0	0	0	46	5
Sub Total	0	185	674	0	0	0	674	79
Remainder	0	385	1,408	0	0	0	1,408	164
Total Future	0	570	2,083	0	0	0	2,083	242

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Undiscounted		Discounted @ 10 %
					Annual	Cumulative	
2022	2	0	0	2	20	20	19
2023	6	0	0	6	41	60	37
2024	6	0	0	6	37	97	30
2025	6	0	0	6	33	130	25
2026	6	0	0	6	34	164	23
2027	6	0	0	6	34	198	21
2028	6	0	0	6	34	233	20
2029	6	0	0	6	34	267	18
2030	6	0	0	6	35	302	16
2031	6	0	0	6	35	336	15
2032	6	0	0	6	35	371	14
2033	6	0	0	6	35	406	12
2034	6	0	0	6	35	440	11
2035	6	0	0	6	35	475	10
2036	6	0	0	6	35	509	9
Sub Total	86	0	0	86	509		282
Remainder	703	0	0	703	541	1,051	75
Total Future	790	0	0	790	1,051		357

**BFU GAS FLOOD**

**FIELD SUMMARY**

**TOTAL PV+PB  
ALL CATEGORIES**

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	31	251,251	213,654	166,968	98.50	0	0	0	0.00
2023	37	793,161	674,474	527,094	85.50	0	0	0	0.00
2024	43	1,130,589	961,410	751,331	77.00	0	0	0	0.00
2025	56	1,359,633	1,156,180	903,542	71.49	0	0	0	0.00
2026	57	1,426,668	1,213,184	948,090	73.00	0	0	0	0.00
2027	52	1,234,560	1,049,823	820,425	74.53	0	0	0	0.00
2028	53	1,121,165	953,396	745,068	76.09	0	0	0	0.00
2029	52	1,029,018	875,038	683,832	77.68	0	0	0	0.00
2030	51	969,599	824,510	644,345	79.31	0	0	0	0.00
2031	51	913,316	776,649	606,943	80.96	0	0	0	0.00
2032	51	870,012	739,825	578,165	82.64	0	0	0	0.00
2033	51	817,252	694,960	543,104	84.36	0	0	0	0.00
2034	51	773,148	657,455	513,794	86.12	0	0	0	0.00
2035	51	735,078	625,082	488,495	87.91	0	0	0	0.00
2036	51	705,747	600,140	469,003	89.74	0	0	0	0.00
Sub Total		14,130,198	12,015,781	9,390,199	79.58	0	0	0	0.00
Remainder		7,904,787	6,721,929	5,253,113	102.80	12,762	10,853	8,481	5.92
Total Future		22,034,985	18,737,710	14,643,311	87.91	12,762	10,853	8,481	5.92

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	1,276,235	1,085,262	848,120	48.48	0	0	0	0.00
Total Future	1,276,235	1,085,262	848,120	48.48	0	0	0	0.00

**BFU GAS FLOOD**

**FIELD SUMMARY**

**TOTAL PV+PB  
ALL CATEGORIES**

**DISCOUNTED**

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	435,508
8.00 % -	319,971
10.00 % -	267,719
15.00 % -	184,034
20.00 % -	136,072

LIFE OF SUMMARY IS 40.42 YEARS

**GROSS REVENUE BEFORE BURDENS - \$M**

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	21,045	0	0	0	0	0	0	21,045
2023	57,667	0	0	0	0	0	0	57,667
2024	74,027	0	0	0	0	0	0	74,027
2025	82,660	0	0	0	0	0	0	82,660
2026	88,558	0	0	0	0	0	0	88,558
2027	78,240	0	0	0	0	0	0	78,240
2028	72,541	0	0	0	0	0	0	72,541
2029	67,970	0	0	0	0	0	0	67,970
2030	65,388	0	0	0	0	0	0	65,388
2031	62,874	0	0	0	0	0	0	62,874
2032	61,143	0	0	0	0	0	0	61,143
2033	58,630	0	0	0	0	0	0	58,630
2034	56,623	0	0	0	0	0	0	56,623
2035	54,953	0	0	0	0	0	0	54,953
2036	53,859	0	0	0	0	0	0	53,859
Sub Total	956,178	0	0	0	0	0	0	956,178
Remainder	691,004	64,247	0	0	52,619	0	0	807,870
Total Future	1,647,181	64,247	0	0	52,619	0	0	1,764,048

**ROYALTY BURDENS - \$M**

**REVENUE**

**ROYALTY CREDITS - \$M**

**COMPANY**

**AD VAL. &**

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	4,599	16,446	0	0	0	16,446	1,914
2023	0	12,601	45,067	0	0	0	45,067	5,246
2024	0	16,176	57,851	0	0	0	57,851	6,734
2025	0	18,062	64,598	0	0	0	64,598	7,519
2026	0	19,351	69,207	0	0	0	69,207	8,056
2027	0	17,096	61,144	0	0	0	61,144	7,117
2028	0	15,851	56,690	0	0	0	56,690	6,599
2029	0	14,852	53,118	0	0	0	53,118	6,183
2030	0	14,288	51,100	0	0	0	51,100	5,948
2031	0	13,739	49,135	0	0	0	49,135	5,719
2032	0	13,360	47,782	0	0	0	47,782	5,562
2033	0	12,811	45,819	0	0	0	45,819	5,333
2034	0	12,373	44,250	0	0	0	44,250	5,151
2035	0	12,008	42,945	0	0	0	42,945	4,999
2036	0	11,769	42,090	0	0	0	42,090	4,899
Sub Total	0	208,935	747,242	0	0	0	747,242	86,979
Remainder	0	176,529	631,341	60,951	0	0	692,292	73,488
Total Future	0	385,464	1,378,584	60,951	0	0	1,439,534	160,467

**DEDUCTIONS - \$M**

**FUTURE NET INCOME BEFORE INCOME TAXES - \$M**

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	2,855	6,423	0	9,277	5,255	5,255	5,129
2023	7,048	29,262	0	36,310	3,511	8,766	3,470
2024	8,749	27,449	0	36,198	14,919	23,685	12,599
2025	9,306	32,385	0	41,692	15,387	39,073	11,919
2026	10,085	9,703	0	19,788	41,363	80,436	28,468
2027	9,368	173	0	9,541	44,486	124,921	27,875
2028	9,114	0	0	9,114	40,977	165,899	23,341
2029	8,831	0	0	8,831	38,104	204,002	19,724
2030	8,019	0	0	8,019	37,133	241,135	17,473
2031	7,921	0	0	7,921	35,495	276,630	15,184
2032	7,850	0	0	7,850	34,370	311,000	13,368
2033	7,771	0	0	7,771	32,714	343,715	11,566
2034	7,721	198	0	7,919	31,181	374,896	10,018
2035	7,688	0	0	7,688	30,259	405,154	8,840
2036	7,691	0	0	7,691	29,500	434,654	7,835
Sub Total	120,017	105,592	0	225,609	434,654		216,808
Remainder	164,469	45,714	0	210,184	408,620	843,275	50,912
Total Future	284,487	151,306	0	435,792	843,275		267,719

**BFU GAS FLOOD**

**FIELD SUMMARY**

**TOTAL PROVED  
ALL CATEGORIES**

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl)	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf)
		Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	31	232,502	197,711	154,509	98.50	0	0	0	0.00
2023	36	680,014	578,258	451,902	85.50	0	0	0	0.00
2024	37	897,747	763,410	596,596	77.00	0	0	0	0.00
2025	48	1,003,669	853,481	666,986	71.50	0	0	0	0.00
2026	48	986,046	838,496	655,275	73.00	0	0	0	0.00
2027	44	845,074	718,618	561,592	74.53	0	0	0	0.00
2028	44	782,629	665,517	520,095	76.09	0	0	0	0.00
2029	43	713,435	606,678	474,112	77.68	0	0	0	0.00
2030	43	668,277	568,277	444,102	79.31	0	0	0	0.00
2031	43	627,395	533,513	416,934	80.96	0	0	0	0.00
2032	43	591,614	503,086	393,156	82.65	0	0	0	0.00
2033	43	557,804	474,335	370,688	84.37	0	0	0	0.00
2034	43	526,819	447,987	350,097	86.13	0	0	0	0.00
2035	43	499,714	424,938	332,084	87.92	0	0	0	0.00
2036	43	478,703	407,070	318,121	89.75	0	0	0	0.00
Sub Total		10,091,441	8,581,376	6,706,250	79.66	0	0	0	0.00
Remainder		5,235,516	4,452,083	3,479,253	102.67	10,070	8,563	6,692	5.92
Total Future		15,326,957	13,033,459	10,185,503	87.52	10,070	8,563	6,692	5.92

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl)	BUTANE PRODUCTION (BARRELS)			(\$/bbl)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl)	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	1,006,975	856,293	669,184	48.48	0	0	0	0.00
Total Future	1,006,975	856,293	669,184	48.48	0	0	0	0.00

BFU GAS FLOOD

FIELD SUMMARY

TOTAL PROVED  
ALL CATEGORIES

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	292,503
8.00 % -	216,269
10.00 % -	181,839
15.00 % -	126,563
20.00 % -	94,648

LIFE OF SUMMARY IS 39.50 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	19,474	0	0	0	0	0	0	19,474
2023	49,441	0	0	0	0	0	0	49,441
2024	58,783	0	0	0	0	0	0	58,783
2025	61,024	0	0	0	0	0	0	61,024
2026	61,210	0	0	0	0	0	0	61,210
2027	53,559	0	0	0	0	0	0	53,559
2028	50,639	0	0	0	0	0	0	50,639
2029	47,127	0	0	0	0	0	0	47,127
2030	45,070	0	0	0	0	0	0	45,070
2031	43,193	0	0	0	0	0	0	43,193
2032	41,580	0	0	0	0	0	0	41,580
2033	40,020	0	0	0	0	0	0	40,020
2034	38,585	0	0	0	0	0	0	38,585
2035	37,361	0	0	0	0	0	0	37,361
2036	36,535	0	0	0	0	0	0	36,535
Sub Total	683,600	0	0	0	0	0	0	683,600
Remainder	457,113	50,693	0	0	41,517	0	0	549,323
Total Future	1,140,713	50,693	0	0	41,517	0	0	1,232,923

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	4,255	15,219	0	0	0	15,219	1,772
2023	0	10,803	38,638	0	0	0	38,638	4,497
2024	0	12,845	45,938	0	0	0	45,938	5,347
2025	0	13,334	47,690	0	0	0	47,690	5,551
2026	0	13,375	47,835	0	0	0	47,835	5,568
2027	0	11,703	41,855	0	0	0	41,855	4,872
2028	0	11,065	39,574	0	0	0	39,574	4,606
2029	0	10,298	36,829	0	0	0	36,829	4,287
2030	0	9,848	35,222	0	0	0	35,222	4,100
2031	0	9,438	33,755	0	0	0	33,755	3,929
2032	0	9,086	32,494	0	0	0	32,494	3,782
2033	0	8,745	31,275	0	0	0	31,275	3,640
2034	0	8,431	30,154	0	0	0	30,154	3,510
2035	0	8,164	29,197	0	0	0	29,197	3,399
2036	0	7,983	28,551	0	0	0	28,551	3,323
Sub Total	0	149,374	534,226	0	0	0	534,226	62,184
Remainder	0	120,033	429,290	60,951	0	0	490,240	49,969
Total Future	0	269,407	963,516	60,951	0	0	1,024,466	112,153

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	2,789	6,423	0	9,211	4,236	4,236	4,132
2023	6,619	27,605	0	34,225	-85	4,152	193
2024	7,634	16,567	0	24,202	16,389	20,541	13,796
2025	7,709	25,547	0	33,256	8,882	29,423	6,918
2026	8,134	2,675	0	10,808	31,459	60,881	21,725
2027	7,576	173	0	7,749	29,235	90,116	18,311
2028	7,403	0	0	7,403	27,565	117,681	15,701
2029	7,151	0	0	7,151	25,391	143,072	13,145
2030	6,368	0	0	6,368	24,754	167,826	11,648
2031	6,295	0	0	6,295	23,531	191,357	10,067
2032	6,237	0	0	6,237	22,475	213,832	8,741
2033	6,189	197	0	6,386	21,249	235,081	7,515
2034	6,154	0	0	6,154	20,490	255,570	6,585
2035	6,137	0	0	6,137	19,661	275,231	5,744
2036	6,149	0	0	6,149	19,079	294,310	5,068
Sub Total	98,545	79,187	0	177,732	294,310		149,288
Remainder	126,770	42,896	0	169,666	270,605	564,915	32,551
Total Future	225,315	122,083	0	347,398	564,915		181,839

## BFU GAS FLOOD

## FIELD SUMMARY

 PROVED  
 PRODUCING

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	31	232,502	197,711	154,509	98.50	0	0	0	0.00
2023	31	652,140	554,555	433,379	85.50	0	0	0	0.00
2024	30	781,783	664,798	519,532	77.00	0	0	0	0.00
2025	30	788,006	670,090	523,668	71.50	0	0	0	0.00
2026	30	728,757	619,707	484,294	73.00	0	0	0	0.00
2027	30	641,717	545,692	426,452	74.53	0	0	0	0.00
2028	30	575,291	489,206	382,309	76.09	0	0	0	0.00
2029	29	517,247	439,847	343,736	77.68	0	0	0	0.00
2030	29	479,838	408,035	318,875	79.31	0	0	0	0.00
2031	29	442,967	376,682	294,373	80.96	0	0	0	0.00
2032	29	407,603	346,610	270,872	82.65	0	0	0	0.00
2033	29	375,799	319,565	249,737	84.37	0	0	0	0.00
2034	29	348,984	296,762	231,917	86.13	0	0	0	0.00
2035	29	326,078	277,284	216,694	87.92	0	0	0	0.00
2036	29	308,445	262,290	204,976	89.75	0	0	0	0.00
Sub Total		7,607,156	6,468,835	5,055,323	79.65	0	0	0	0.00
Remainder		3,202,546	2,723,323	2,128,246	102.56	6,634	5,641	4,409	5.92
Total Future		10,809,702	9,192,158	7,183,569	86.44	6,634	5,641	4,409	5.92

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	663,400	564,130	440,861	48.48	0	0	0	0.00
Total Future	663,400	564,130	440,861	48.48	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.



BFU GAS FLOOD

FIELD SUMMARY

PROVED  
PRODUCING

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	242,608
8.00 % -	189,428
10.00 % -	165,034
15.00 % -	124,761
20.00 % -	100,331

LIFE OF SUMMARY IS 39.50 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From Sull/Other	From All Products
2022	19,474	0	0	0	0	0	0	19,474
2023	47,414	0	0	0	0	0	0	47,414
2024	51,189	0	0	0	0	0	0	51,189
2025	47,911	0	0	0	0	0	0	47,911
2026	45,239	0	0	0	0	0	0	45,239
2027	40,670	0	0	0	0	0	0	40,670
2028	37,224	0	0	0	0	0	0	37,224
2029	34,167	0	0	0	0	0	0	34,167
2030	32,361	0	0	0	0	0	0	32,361
2031	30,496	0	0	0	0	0	0	30,496
2032	28,647	0	0	0	0	0	0	28,647
2033	26,962	0	0	0	0	0	0	26,962
2034	25,560	0	0	0	0	0	0	25,560
2035	24,379	0	0	0	0	0	0	24,379
2036	23,540	0	0	0	0	0	0	23,540
Sub Total	515,236	0	0	0	0	0	0	515,236
Remainder	279,315	33,396	0	0	27,352	0	0	340,064
Total Future	794,551	33,396	0	0	27,352	0	0	855,299

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	4,255	15,219	0	0	0	15,219	1,772
2023	0	10,361	37,054	0	0	0	37,054	4,313
2024	0	11,185	40,004	0	0	0	40,004	4,656
2025	0	10,469	37,442	0	0	0	37,442	4,358
2026	0	9,885	35,353	0	0	0	35,353	4,115
2027	0	8,887	31,783	0	0	0	31,783	3,700
2028	0	8,134	29,090	0	0	0	29,090	3,386
2029	0	7,466	26,701	0	0	0	26,701	3,108
2030	0	7,071	25,290	0	0	0	25,290	2,944
2031	0	6,664	23,832	0	0	0	23,832	2,774
2032	0	6,260	22,388	0	0	0	22,388	2,606
2033	0	5,891	21,070	0	0	0	21,070	2,453
2034	0	5,585	19,975	0	0	0	19,975	2,325
2035	0	5,327	19,052	0	0	0	19,052	2,218
2036	0	5,144	18,397	0	0	0	18,397	2,141
Sub Total	0	112,585	402,651	0	0	0	402,651	46,869
Remainder	0	74,308	265,756	60,951	0	0	326,707	30,934
Total Future	0	186,892	668,407	60,951	0	0	729,358	77,803

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	2,787	4,465	0	7,252	6,196	6,196	6,076
2023	6,188	10,113	0	16,301	16,440	22,636	15,067
2024	6,843	9,426	0	16,269	19,079	41,714	15,939
2025	6,307	1,499	0	7,806	25,278	66,992	19,153
2026	6,156	956	0	7,111	24,127	91,119	16,630
2027	5,885	173	0	6,057	22,026	113,146	13,800
2028	5,686	0	0	5,686	20,018	133,164	11,405
2029	5,436	0	0	5,436	18,157	151,321	9,401
2030	4,644	0	0	4,644	17,702	169,023	8,331
2031	4,549	0	0	4,549	16,509	185,532	7,064
2032	4,460	0	0	4,460	15,322	200,854	5,961
2033	4,382	197	0	4,579	14,039	214,893	4,967
2034	4,326	0	0	4,326	13,324	228,217	4,283
2035	4,287	0	0	4,287	12,547	240,764	3,666
2036	4,274	0	0	4,274	11,981	252,745	3,183
Sub Total	76,209	26,828	0	103,037	252,745		144,926
Remainder	84,608	32,943	0	117,551	178,221	430,967	20,108
Total Future	160,817	59,771	0	220,589	430,967		165,034

BFU GAS FLOOD

FIELD SUMMARY

PROVED  
UNDEVELOPED

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022		0	0	0	0.00	0	0	0	0.00
2023	5	27,874	23,703	18,523	85.50	0	0	0	0.00
2024	7	115,964	98,611	77,064	77.00	0	0	0	0.00
2025	18	215,663	183,391	143,318	71.50	0	0	0	0.00
2026	18	257,289	218,789	170,981	73.00	0	0	0	0.00
2027	14	203,356	172,926	135,140	74.53	0	0	0	0.00
2028	14	207,337	176,312	137,786	76.09	0	0	0	0.00
2029	14	196,188	166,831	130,377	77.68	0	0	0	0.00
2030	14	188,440	160,242	125,227	79.31	0	0	0	0.00
2031	14	184,428	156,830	122,561	80.96	0	0	0	0.00
2032	14	184,011	156,476	122,284	82.65	0	0	0	0.00
2033	14	182,005	154,770	120,951	84.37	0	0	0	0.00
2034	14	177,836	151,225	118,180	86.13	0	0	0	0.00
2035	14	173,636	147,654	115,390	87.92	0	0	0	0.00
2036	14	170,258	144,781	113,145	89.75	0	0	0	0.00
Sub Total		2,484,284	2,112,541	1,650,927	79.70	0	0	0	0.00
Remainder		2,032,970	1,728,760	1,351,007	102.85	3,436	2,922	2,283	5.92
Total Future		4,517,255	3,841,301	3,001,934	90.12	3,436	2,922	2,283	5.92

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	343,575	292,163	228,322	48.48	0	0	0	0.00
Total Future	343,575	292,163	228,322	48.48	0	0	0	0.00

**BFU GAS FLOOD**

**FIELD SUMMARY**

**PROVED  
UNDEVELOPED**

**DISCOUNTED**

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

<b>5.00 % -</b>	<b>49,894</b>
<b>8.00 % -</b>	<b>26,841</b>
<b>10.00 % -</b>	<b>16,806</b>
<b>15.00 % -</b>	<b>1,802</b>
<b>20.00 % -</b>	<b>-5,683</b>

LIFE OF SUMMARY IS 37.33 YEARS

**GROSS REVENUE BEFORE BURDENS - \$M**

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From Sulfur	From All Products
2022	0	0	0	0	0	0	0	0
2023	2,027	0	0	0	0	0	0	2,027
2024	7,593	0	0	0	0	0	0	7,593
2025	13,112	0	0	0	0	0	0	13,112
2026	15,972	0	0	0	0	0	0	15,972
2027	12,888	0	0	0	0	0	0	12,888
2028	13,416	0	0	0	0	0	0	13,416
2029	12,959	0	0	0	0	0	0	12,959
2030	12,709	0	0	0	0	0	0	12,709
2031	12,697	0	0	0	0	0	0	12,697
2032	12,933	0	0	0	0	0	0	12,933
2033	13,058	0	0	0	0	0	0	13,058
2034	13,025	0	0	0	0	0	0	13,025
2035	12,982	0	0	0	0	0	0	12,982
2036	12,994	0	0	0	0	0	0	12,994
Sub Total	168,364	0	0	0	0	0	0	168,364
Remainder	177,798	17,296	0	0	14,165	0	0	209,259
Total Future	346,162	17,296	0	0	14,165	0	0	377,623

**ROYALTY BURDENS - \$M**

**REVENUE**

**ROYALTY CREDITS - \$M**

**COMPANY**

**AD VAL. &**

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	0	0	0	0	0	0	0
2023	0	443	1,584	0	0	0	1,584	184
2024	0	1,659	5,934	0	0	0	5,934	691
2025	0	2,865	10,247	0	0	0	10,247	1,193
2026	0	3,490	12,482	0	0	0	12,482	1,453
2027	0	2,816	10,072	0	0	0	10,072	1,172
2028	0	2,931	10,484	0	0	0	10,484	1,220
2029	0	2,832	10,128	0	0	0	10,128	1,179
2030	0	2,777	9,932	0	0	0	9,932	1,156
2031	0	2,774	9,923	0	0	0	9,923	1,155
2032	0	2,826	10,107	0	0	0	10,107	1,176
2033	0	2,853	10,205	0	0	0	10,205	1,188
2034	0	2,846	10,179	0	0	0	10,179	1,185
2035	0	2,837	10,145	0	0	0	10,145	1,181
2036	0	2,839	10,155	0	0	0	10,155	1,182
Sub Total	0	36,789	131,575	0	0	0	131,575	15,315
Remainder	0	45,725	163,534	0	0	0	163,534	19,035
Total Future	0	82,515	295,108	0	0	0	295,108	34,351

**DEDUCTIONS - \$M**

**FUTURE NET INCOME BEFORE INCOME TAXES - \$M**

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	2	1,958	0	1,960	-1,960	-1,960	-1,944
2023	432	17,492	0	17,924	-16,524	-18,484	-14,875
2024	791	7,142	0	7,933	-2,690	-21,174	-2,143
2025	1,401	24,049	0	25,450	-16,396	-37,569	-12,235
2026	1,978	1,719	0	3,697	7,331	-30,238	5,095
2027	1,691	0	0	1,691	7,208	-23,030	4,510
2028	1,717	0	0	1,717	7,547	-15,483	4,296
2029	1,715	0	0	1,715	7,234	-8,249	3,745
2030	1,723	0	0	1,723	7,052	-1,197	3,317
2031	1,746	0	0	1,746	7,022	5,825	3,003
2032	1,777	0	0	1,777	7,153	12,978	2,781
2033	1,807	0	0	1,807	7,210	20,188	2,548
2034	1,829	0	0	1,829	7,165	27,353	2,302
2035	1,850	0	0	1,850	7,114	34,467	2,078
2036	1,875	0	0	1,875	7,098	41,565	1,885
Sub Total	22,335	52,359	0	74,694	41,565		4,363
Remainder	42,162	9,953	0	52,115	92,384	133,949	12,443
Total Future	64,498	62,312	0	126,809	133,949		16,806

BFU GAS FLOOD

FIELD SUMMARY

TOTAL PROBABLE  
ALL CATEGORIES

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022		18,749	15,943	12,460	98.50	0	0	0	0.00
2023	1	113,147	96,216	75,192	85.50	0	0	0	0.00
2024	6	232,842	198,000	154,735	76.99	0	0	0	0.00
2025	8	355,965	302,699	236,556	71.48	0	0	0	0.00
2026	9	440,622	374,688	292,814	72.99	0	0	0	0.00
2027	8	389,487	331,205	258,833	74.52	0	0	0	0.00
2028	9	338,536	287,878	224,974	76.08	0	0	0	0.00
2029	9	315,583	268,360	209,720	77.67	0	0	0	0.00
2030	8	301,322	256,232	200,243	79.30	0	0	0	0.00
2031	8	285,921	243,137	190,009	80.94	0	0	0	0.00
2032	8	278,398	236,739	185,009	82.63	0	0	0	0.00
2033	8	259,448	220,625	172,416	84.35	0	0	0	0.00
2034	8	246,328	209,468	163,697	86.11	0	0	0	0.00
2035	8	235,364	200,145	156,411	87.90	0	0	0	0.00
2036	8	227,044	193,069	150,882	89.73	0	0	0	0.00
Sub Total		4,038,757	3,434,405	2,683,949	79.37	0	0	0	0.00
Remainder		2,669,271	2,269,846	1,773,859	103.04	2,693	2,290	1,789	5.92
Total Future		6,708,028	5,704,251	4,457,808	88.79	2,693	2,290	1,789	5.92

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	269,260	228,968	178,936	48.48	0	0	0	0.00
Total Future	269,260	228,968	178,936	48.48	0	0	0	0.00

**BFU GAS FLOOD**

**FIELD SUMMARY**

**TOTAL PROBABLE  
ALL CATEGORIES**

**DISCOUNTED**

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	143,006
8.00 % -	103,703
10.00 % -	85,880
15.00 % -	57,471
20.00 % -	41,425

LIFE OF SUMMARY IS 40.42 YEARS

**GROSS REVENUE BEFORE BURDENS - \$M**

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	1,570	0	0	0	0	0	0	1,570
2023	8,226	0	0	0	0	0	0	8,226
2024	15,244	0	0	0	0	0	0	15,244
2025	21,636	0	0	0	0	0	0	21,636
2026	27,348	0	0	0	0	0	0	27,348
2027	24,681	0	0	0	0	0	0	24,681
2028	21,902	0	0	0	0	0	0	21,902
2029	20,843	0	0	0	0	0	0	20,843
2030	20,318	0	0	0	0	0	0	20,318
2031	19,680	0	0	0	0	0	0	19,680
2032	19,563	0	0	0	0	0	0	19,563
2033	18,610	0	0	0	0	0	0	18,610
2034	18,038	0	0	0	0	0	0	18,038
2035	17,593	0	0	0	0	0	0	17,593
2036	17,324	0	0	0	0	0	0	17,324
Sub Total	272,578	0	0	0	0	0	0	272,578
Remainder	233,891	13,555	0	0	11,101	0	0	258,547
Total Future	506,468	13,555	0	0	11,101	0	0	531,125

**ROYALTY BURDENS - \$M**

**REVENUE**

**ROYALTY CREDITS - \$M**

**COMPANY**

**AD VAL. &**

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	343	1,227	0	0	0	1,227	143
2023	0	1,798	6,429	0	0	0	6,429	748
2024	0	3,331	11,913	0	0	0	11,913	1,387
2025	0	4,728	16,909	0	0	0	16,909	1,968
2026	0	5,976	21,372	0	0	0	21,372	2,488
2027	0	5,393	19,288	0	0	0	19,288	2,245
2028	0	4,786	17,116	0	0	0	17,116	1,992
2029	0	4,554	16,289	0	0	0	16,289	1,896
2030	0	4,440	15,879	0	0	0	15,879	1,848
2031	0	4,300	15,380	0	0	0	15,380	1,790
2032	0	4,275	15,288	0	0	0	15,288	1,780
2033	0	4,067	14,544	0	0	0	14,544	1,693
2034	0	3,941	14,096	0	0	0	14,096	1,641
2035	0	3,844	13,749	0	0	0	13,749	1,600
2036	0	3,785	13,539	0	0	0	13,539	1,576
Sub Total	0	59,561	213,016	0	0	0	213,016	24,795
Remainder	0	56,495	202,052	0	0	0	202,052	23,519
Total Future	0	116,057	415,068	0	0	0	415,068	48,314

**DEDUCTIONS - \$M**

**FUTURE NET INCOME BEFORE INCOME TAXES - \$M**

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	66	0	0	66	1,018	1,018	997
2023	428	1,656	0	2,085	3,596	4,614	3,277
2024	1,115	10,881	0	11,996	-1,469	3,145	-1,196
2025	1,597	6,838	0	8,435	6,505	9,650	5,001
2026	1,952	7,028	0	8,980	9,905	19,555	6,743
2027	1,792	0	0	1,792	15,251	34,805	9,564
2028	1,711	0	0	1,711	13,412	48,218	7,640
2029	1,680	0	0	1,680	12,713	60,930	6,578
2030	1,652	0	0	1,652	12,379	73,309	5,824
2031	1,626	0	0	1,626	11,964	85,273	5,117
2032	1,613	0	0	1,613	11,895	97,168	4,626
2033	1,582	-197	0	1,385	11,465	108,634	4,051
2034	1,566	198	0	1,764	10,692	119,325	3,433
2035	1,551	0	0	1,551	10,598	129,923	3,096
2036	1,541	0	0	1,541	10,421	140,344	2,768
Sub Total	21,472	26,404	0	47,877	140,344		67,519
Remainder	37,699	2,819	0	40,518	138,015	278,360	18,361
Total Future	59,171	29,223	0	88,394	278,360		85,880

**BFU GAS FLOOD**

**FIELD SUMMARY**

**PROBABLE  
PRODUCING**

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl)	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf)
		Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022		18,335	15,592	12,185	98.50	0	0	0	0.00
2023		101,920	86,669	67,731	85.50	0	0	0	0.00
2024		143,789	122,272	95,554	77.00	0	0	0	0.00
2025		150,413	127,906	99,957	71.50	0	0	0	0.00
2026		142,572	121,237	94,746	73.00	0	0	0	0.00
2027		125,600	106,806	83,467	74.53	0	0	0	0.00
2028	1	112,514	95,678	74,771	76.09	0	0	0	0.00
2029	1	101,991	86,729	67,778	77.68	0	0	0	0.00
2030		94,186	80,092	62,591	79.31	0	0	0	0.00
2031		86,943	73,933	57,778	80.96	0	0	0	0.00
2032		80,435	68,399	53,453	82.65	0	0	0	0.00
2033		74,886	63,680	49,765	84.37	0	0	0	0.00
2034		70,147	59,650	46,616	86.13	0	0	0	0.00
2035		65,957	56,087	43,832	87.92	0	0	0	0.00
2036		62,690	53,309	41,661	89.75	0	0	0	0.00
Sub Total		1,432,378	1,218,039	951,884	79.27	0	0	0	0.00
Remainder		706,471	600,756	469,484	103.16	1,749	1,487	1,162	5.92
Total Future		2,138,848	1,818,795	1,421,368	87.16	1,749	1,487	1,162	5.92

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl)	BUTANE PRODUCTION (BARRELS)			(\$/bbl)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl)	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	174,865	148,699	116,206	48.48	0	0	0	0.00
Total Future	174,865	148,699	116,206	48.48	0	0	0	0.00

FRI SEP 2 12:23:33 2022

**BFU GAS FLOOD**

**FIELD SUMMARY**

**PROBABLE  
PRODUCING**

**DISCOUNTED**

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	55,869
8.00 % -	43,175
10.00 % -	37,324
15.00 % -	27,702
20.00 % -	21,932

LIFE OF SUMMARY IS 40.42 YEARS

**GROSS REVENUE BEFORE BURDENS - \$M**

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	1,536	0	0	0	0	0	0	1,536
2023	7,410	0	0	0	0	0	0	7,410
2024	9,415	0	0	0	0	0	0	9,415
2025	9,145	0	0	0	0	0	0	9,145
2026	8,850	0	0	0	0	0	0	8,850
2027	7,960	0	0	0	0	0	0	7,960
2028	7,280	0	0	0	0	0	0	7,280
2029	6,737	0	0	0	0	0	0	6,737
2030	6,352	0	0	0	0	0	0	6,352
2031	5,986	0	0	0	0	0	0	5,986
2032	5,653	0	0	0	0	0	0	5,653
2033	5,373	0	0	0	0	0	0	5,373
2034	5,138	0	0	0	0	0	0	5,138
2035	4,931	0	0	0	0	0	0	4,931
2036	4,785	0	0	0	0	0	0	4,785
Sub Total	96,551	0	0	0	0	0	0	96,551
Remainder	61,977	8,803	0	0	7,210	0	0	77,989
Total Future	158,528	8,803	0	0	7,210	0	0	174,540

**ROYALTY BURDENS - \$M**

**REVENUE**

**ROYALTY CREDITS - \$M**

**COMPANY**

**AD VAL. &**

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	336	1,200	0	0	0	1,200	140
2023	0	1,619	5,791	0	0	0	5,791	674
2024	0	2,057	7,358	0	0	0	7,358	856
2025	0	1,998	7,147	0	0	0	7,147	832
2026	0	1,934	6,916	0	0	0	6,916	805
2027	0	1,739	6,221	0	0	0	6,221	724
2028	0	1,591	5,689	0	0	0	5,689	662
2029	0	1,472	5,265	0	0	0	5,265	613
2030	0	1,388	4,964	0	0	0	4,964	578
2031	0	1,308	4,678	0	0	0	4,678	544
2032	0	1,235	4,418	0	0	0	4,418	514
2033	0	1,174	4,199	0	0	0	4,199	489
2034	0	1,123	4,015	0	0	0	4,015	467
2035	0	1,078	3,854	0	0	0	3,854	449
2036	0	1,045	3,739	0	0	0	3,739	435
Sub Total	0	21,097	75,453	0	0	0	75,453	8,783
Remainder	0	17,042	60,948	0	0	0	60,948	7,094
Total Future	0	38,139	136,401	0	0	0	136,401	15,877

**DEDUCTIONS - \$M**

**FUTURE NET INCOME BEFORE INCOME TAXES - \$M**

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	65	0	0	65	996	996	975
2023	478	2,646	0	3,125	1,992	2,988	1,793
2024	656	0	0	656	5,845	8,834	4,866
2025	681	0	0	681	5,634	14,468	4,268
2026	652	0	0	652	5,460	19,927	3,762
2027	589	0	0	589	4,908	24,835	3,076
2028	548	0	0	548	4,479	29,315	2,551
2029	508	0	0	508	4,144	33,459	2,146
2030	470	0	0	470	3,916	37,375	1,843
2031	441	0	0	441	3,692	41,068	1,580
2032	415	0	0	415	3,489	44,556	1,357
2033	392	-197	0	195	3,515	48,071	1,240
2034	373	198	0	570	2,977	51,048	954
2035	355	0	0	355	3,050	54,098	891
2036	342	0	0	342	2,961	57,059	787
Sub Total	6,964	2,647	0	9,611	57,059		32,087
Remainder	10,724	1,044	0	11,768	42,085	99,145	5,237
Total Future	17,689	3,691	0	21,380	99,145		37,324



**BFU GAS FLOOD**

**FIELD SUMMARY**

**PROBABLE  
UNDEVELOPED**

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022		414	352	275	98.50	0	0	0	0.00
2023	1	11,227	9,547	7,461	85.50	0	0	0	0.00
2024	6	89,054	75,728	59,181	76.97	0	0	0	0.00
2025	8	205,551	174,793	136,599	71.46	0	0	0	0.00
2026	9	298,050	253,451	198,069	72.98	0	0	0	0.00
2027	8	263,887	224,399	175,366	74.52	0	0	0	0.00
2028	8	226,022	192,201	150,203	76.08	0	0	0	0.00
2029	8	213,592	181,631	141,942	77.66	0	0	0	0.00
2030	8	207,135	176,140	137,651	79.29	0	0	0	0.00
2031	8	198,978	169,204	132,231	80.94	0	0	0	0.00
2032	8	197,964	168,341	131,557	82.63	0	0	0	0.00
2033	8	184,562	156,945	122,651	84.35	0	0	0	0.00
2034	8	176,181	149,818	117,081	86.10	0	0	0	0.00
2035	8	169,407	144,057	112,579	87.89	0	0	0	0.00
2036	8	164,354	139,760	109,221	89.72	0	0	0	0.00
Sub Total		2,606,379	2,216,365	1,732,065	79.42	0	0	0	0.00
Remainder		1,962,800	1,669,090	1,304,376	103.00	944	803	627	5.92
Total Future		4,569,180	3,885,456	3,036,440	89.55	944	803	627	5.92

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	94,395	80,270	62,730	48.48	0	0	0	0.00
Total Future	94,395	80,270	62,730	48.48	0	0	0	0.00



**BFU GAS FLOOD**

**FIELD SUMMARY**

**PROBABLE  
UNDEVELOPED**

**DISCOUNTED**

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	87,137
8.00 % -	60,527
10.00 % -	48,556
15.00 % -	29,770
20.00 % -	19,492

LIFE OF SUMMARY IS 38.33 YEARS

**GROSS REVENUE BEFORE BURDENS - \$M**

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	35	0	0	0	0	0	0	35
2023	816	0	0	0	0	0	0	816
2024	5,829	0	0	0	0	0	0	5,829
2025	12,491	0	0	0	0	0	0	12,491
2026	18,498	0	0	0	0	0	0	18,498
2027	16,721	0	0	0	0	0	0	16,721
2028	14,622	0	0	0	0	0	0	14,622
2029	14,106	0	0	0	0	0	0	14,106
2030	13,966	0	0	0	0	0	0	13,966
2031	13,695	0	0	0	0	0	0	13,695
2032	13,909	0	0	0	0	0	0	13,909
2033	13,238	0	0	0	0	0	0	13,238
2034	12,900	0	0	0	0	0	0	12,900
2035	12,662	0	0	0	0	0	0	12,662
2036	12,540	0	0	0	0	0	0	12,540
Sub Total	176,027	0	0	0	0	0	0	176,027
Remainder	171,914	4,752	0	0	3,892	0	0	180,558
Total Future	347,941	4,752	0	0	3,892	0	0	356,584

**ROYALTY BURDENS - \$M**

**REVENUE**

**ROYALTY CREDITS - \$M**

**COMPANY**

**AD VAL. &**

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	8	27	0	0	0	27	3
2023	0	178	638	0	0	0	638	74
2024	0	1,274	4,555	0	0	0	4,555	530
2025	0	2,729	9,762	0	0	0	9,762	1,136
2026	0	4,042	14,456	0	0	0	14,456	1,683
2027	0	3,654	13,067	0	0	0	13,067	1,521
2028	0	3,195	11,427	0	0	0	11,427	1,330
2029	0	3,082	11,024	0	0	0	11,024	1,283
2030	0	3,052	10,914	0	0	0	10,914	1,270
2031	0	2,992	10,702	0	0	0	10,702	1,246
2032	0	3,039	10,870	0	0	0	10,870	1,265
2033	0	2,893	10,345	0	0	0	10,345	1,204
2034	0	2,819	10,081	0	0	0	10,081	1,173
2035	0	2,767	9,895	0	0	0	9,895	1,152
2036	0	2,740	9,799	0	0	0	9,799	1,141
Sub Total	0	38,464	137,563	0	0	0	137,563	16,012
Remainder	0	39,454	141,104	0	0	0	141,104	16,424
Total Future	0	77,918	278,667	0	0	0	278,667	32,437

**DEDUCTIONS - \$M**

**FUTURE NET INCOME BEFORE INCOME TAXES - \$M**

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	1	0	0	1	22	22	22
2023	-50	-990	0	-1,040	1,603	1,626	1,485
2024	459	10,881	0	11,340	-7,315	-5,689	-6,062
2025	917	6,838	0	7,754	871	-4,818	733
2026	1,300	7,028	0	8,328	4,445	-373	2,981
2027	1,203	0	0	1,203	10,343	9,970	6,488
2028	1,163	0	0	1,163	8,933	18,903	5,088
2029	1,172	0	0	1,172	8,568	27,471	4,433
2030	1,182	0	0	1,182	8,462	35,933	3,981
2031	1,184	0	0	1,184	8,272	44,206	3,538
2032	1,198	0	0	1,198	8,407	52,612	3,269
2033	1,190	0	0	1,190	7,951	60,563	2,811
2034	1,193	0	0	1,193	7,714	68,277	2,479
2035	1,195	0	0	1,195	7,548	75,825	2,205
2036	1,199	0	0	1,199	7,460	83,285	1,981
Sub Total	14,508	23,757	0	38,265	83,285		35,432
Remainder	26,975	1,775	0	28,749	95,930	179,215	13,124
Total Future	41,483	25,532	0	67,015	179,215		48,556



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 22-A  
(VOLUMES)

FRI SEP 2 12:23:33 2022

COLE CREEK

FIELD SUMMARY

TOTAL PV+PB  
ALL CATEGORIES

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	5	14,091	13,775	10,516	98.50	0	0	0	0.00
2023	9	50,745	49,082	37,500	85.50	0	0	0	0.00
2024	9	62,789	60,274	46,074	77.00	0	0	0	0.00
2025	23	989,769	944,031	714,779	71.50	753	601	455	3.94
2026	37	1,688,230	1,597,089	1,218,894	73.00	1,316	1,042	795	4.02
2027	48	1,991,124	1,869,612	1,429,751	74.53	1,561	1,227	938	4.10
2028	53	1,795,407	1,682,844	1,288,950	76.09	1,407	1,104	845	4.18
2029	54	1,399,533	1,308,960	1,000,856	77.68	1,093	855	654	4.26
2030	54	1,045,133	978,944	748,604	79.31	812	636	486	4.35
2031	54	837,929	785,242	600,444	80.96	647	507	388	4.44
2032	55	695,362	651,983	498,506	82.65	535	419	321	4.53
2033	54	587,675	551,242	421,452	84.37	450	353	270	4.62
2034	54	507,385	476,091	363,976	86.13	387	304	232	4.71
2035	58	444,007	416,803	318,633	87.92	338	265	203	4.80
2036	53	392,855	368,999	282,085	89.75	299	235	180	4.90
Sub Total		12,502,034	11,754,969	8,981,021	77.91	9,599	7,547	5,766	4.27
Remainder		4,102,045	3,853,991	2,946,010	103.82	3,177	2,494	1,906	5.64
Total Future		16,604,080	15,608,960	11,927,031	84.31	12,776	10,041	7,672	4.61

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/L) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	94,148	89,751	67,923	33.00	0	0	0	0.00
2026	164,483	155,526	118,693	33.66	0	0	0	0.00
2027	195,171	183,160	140,071	34.33	0	0	0	0.00
2028	175,924	164,795	126,229	35.02	0	0	0	0.00
2029	136,632	127,690	97,636	35.72	0	0	0	0.00
2030	101,439	94,925	72,592	36.44	0	0	0	0.00
2031	80,933	75,762	57,934	37.16	0	0	0	0.00
2032	66,860	62,613	47,876	37.91	0	0	0	0.00
2033	56,270	52,711	40,302	38.66	0	0	0	0.00
2034	48,396	45,345	34,668	39.44	0	0	0	0.00
2035	42,247	39,591	30,268	40.22	0	0	0	0.00
2036	37,425	35,077	26,816	41.03	0	0	0	0.00
Sub Total	1,199,930	1,126,945	861,008	35.78	0	0	0	0.00
Remainder	397,086	372,338	284,640	47.24	0	0	0	0.00
Total Future	1,597,016	1,499,283	1,145,648	38.63	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 22-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

COLE CREEK

FIELD SUMMARY

TOTAL PV+PB  
ALL CATEGORIES

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	340,337
8.00 % -	261,690
10.00 % -	222,563
15.00 % -	153,965
20.00 % -	110,817

LIFE OF SUMMARY IS 38.58 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From Sulfur	From All Products
2022	1,357	0	0	0	0	0	0	1,357
2023	4,196	0	0	0	0	0	0	4,196
2024	4,641	0	0	0	0	0	0	4,641
2025	67,498	2,368	0	0	2,962	0	0	72,828
2026	116,587	4,187	0	0	5,235	0	0	126,010
2027	139,342	5,029	0	0	6,288	0	0	150,660
2028	128,048	4,613	0	0	5,771	0	0	138,432
2029	101,680	3,643	0	0	4,561	0	0	109,884
2030	77,640	2,765	0	0	3,459	0	0	83,864
2031	63,573	2,253	0	0	2,815	0	0	68,641
2032	53,886	1,900	0	0	2,373	0	0	58,159
2033	46,508	1,631	0	0	2,038	0	0	50,177
2034	41,006	1,430	0	0	1,788	0	0	44,224
2035	36,645	1,273	0	0	1,593	0	0	39,511
2036	33,118	1,151	0	0	1,439	0	0	35,708
Sub Total	915,726	32,243	0	0	40,323	0	0	988,292
Remainder	400,103	14,064	0	0	17,589	0	0	431,756
Total Future	1,315,829	46,307	0	0	57,912	0	0	1,420,049

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	321	1,036	0	0	0	1,036	121
2023	0	990	3,206	0	0	0	3,206	373
2024	0	1,093	3,548	0	0	0	3,548	413
2025	0	17,688	55,140	0	0	0	55,140	6,418
2026	0	29,840	96,170	0	0	0	96,170	11,194
2027	0	35,445	115,214	0	0	0	115,214	13,411
2028	0	32,402	106,030	0	0	0	106,030	12,342
2029	0	25,864	84,020	0	0	0	84,020	9,780
2030	0	19,733	64,132	0	0	0	64,132	7,465
2031	0	16,154	52,488	0	0	0	52,488	6,110
2032	0	13,691	44,469	0	0	0	44,469	5,176
2033	0	11,814	38,363	0	0	0	38,363	4,465
2034	0	10,414	33,810	0	0	0	33,810	3,935
2035	0	9,306	30,205	0	0	0	30,205	3,516
2036	0	8,411	27,297	0	0	0	27,297	3,177
Sub Total	0	233,165	755,127	0	0	0	755,127	87,897
Remainder	0	101,716	330,040	0	0	0	330,040	38,417
Total Future	0	334,881	1,085,168	0	0	0	1,085,168	126,314

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	222	0	0	222	693	693	679
2023	659	1,383	0	2,042	791	1,484	721
2024	865	0	0	865	2,270	3,754	1,899
2025	2,563	56,412	0	58,975	-10,253	-6,500	-8,680
2026	4,285	54,281	0	58,566	26,410	19,911	17,442
2027	4,567	45,331	0	49,898	51,906	71,817	32,255
2028	4,362	9,520	0	13,881	79,807	151,624	45,545
2029	4,873	18,146	0	23,019	51,221	202,844	26,488
2030	5,423	0	0	5,423	51,243	254,088	24,151
2031	5,301	0	0	5,301	41,077	295,165	17,594
2032	5,232	0	0	5,232	34,061	329,226	13,261
2033	5,199	0	0	5,199	28,699	357,925	10,155
2034	5,197	0	0	5,197	24,678	382,603	7,937
2035	5,192	319	0	5,510	21,178	403,781	6,192
2036	5,135	0	0	5,135	18,985	422,766	5,046
Sub Total	59,074	185,390	0	244,464	422,766		200,687
Remainder	135,297	16,002	0	151,299	140,325	563,091	21,876
Total Future	194,371	201,392	0	395,763	563,091		222,563



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 23-A  
(VOLUMES)

FRI SEP 2 12:23:33 2022

COLE CREEK

FIELD SUMMARY

TOTAL PROVED  
ALL CATEGORIES

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	5	12,994	12,707	9,701	98.50	0	0	0	0.00
2023	9	47,017	45,473	34,744	85.50	0	0	0	0.00
2024	9	57,078	54,791	41,883	77.00	0	0	0	0.00
2025	23	798,968	761,314	576,314	71.50	605	482	365	3.94
2026	29	994,000	953,812	726,905	73.00	764	614	468	4.02
2027	29	632,754	606,082	461,382	74.53	478	383	292	4.10
2028	29	471,249	451,386	343,560	76.09	352	282	214	4.18
2029	29	370,849	355,237	270,369	77.68	274	219	167	4.26
2030	29	302,890	290,155	220,826	79.31	221	177	135	4.35
2031	29	254,184	243,512	185,324	80.96	184	147	112	4.44
2032	29	217,475	208,476	158,653	82.65	156	125	95	4.53
2033	28	188,137	180,455	137,324	84.37	135	108	82	4.62
2034	28	165,825	159,076	121,053	86.13	118	94	72	4.71
2035	28	144,621	138,812	105,642	87.92	104	84	64	4.80
2036	24	127,296	122,224	92,985	89.75	93	75	57	4.90
Sub Total		4,785,337	4,583,512	3,486,664	76.93	3,484	2,791	2,122	4.21
Remainder		1,227,781	1,178,368	896,547	103.02	923	740	563	5.61
Total Future		6,013,118	5,761,880	4,383,211	82.27	4,407	3,530	2,685	4.50

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/L) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	75,588	71,980	54,459	33.00	0	0	0	0.00
2026	95,552	91,671	69,856	33.66	0	0	0	0.00
2027	59,801	57,257	43,578	34.33	0	0	0	0.00
2028	43,955	42,080	32,019	35.02	0	0	0	0.00
2029	34,189	32,729	24,902	35.72	0	0	0	0.00
2030	27,622	26,441	20,116	36.44	0	0	0	0.00
2031	22,952	21,969	16,713	37.16	0	0	0	0.00
2032	19,534	18,697	14,223	37.91	0	0	0	0.00
2033	16,818	16,097	12,245	38.66	0	0	0	0.00
2034	14,724	14,092	10,719	39.44	0	0	0	0.00
2035	13,038	12,479	9,492	40.22	0	0	0	0.00
2036	11,686	11,185	8,507	41.03	0	0	0	0.00
Sub Total	435,460	416,678	316,829	35.27	0	0	0	0.00
Remainder	115,409	110,487	84,053	46.96	0	0	0	0.00
Total Future	550,868	527,165	400,882	37.72	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 23-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

COLE CREEK

FIELD SUMMARY

TOTAL PROVED  
ALL CATEGORIES

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	106,753
8.00 % -	83,501
10.00 % -	71,560
15.00 % -	50,009
20.00 % -	36,041

LIFE OF SUMMARY IS 33.00 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From Sull/Other	From All Products
2022	1,252	0	0	0	0	0	0	1,252
2023	3,888	0	0	0	0	0	0	3,888
2024	4,219	0	0	0	0	0	0	4,219
2025	54,434	1,899	0	0	2,375	0	0	58,709
2026	69,628	2,468	0	0	3,086	0	0	75,182
2027	45,171	1,572	0	0	1,966	0	0	48,709
2028	34,346	1,178	0	0	1,474	0	0	36,998
2029	27,595	934	0	0	1,169	0	0	29,698
2030	23,012	770	0	0	963	0	0	24,746
2031	19,715	653	0	0	816	0	0	21,184
2032	17,231	567	0	0	709	0	0	18,507
2033	15,225	498	0	0	622	0	0	16,345
2034	13,701	445	0	0	556	0	0	14,701
2035	12,204	401	0	0	502	0	0	13,107
2036	10,970	367	0	0	459	0	0	11,796
Sub Total	352,590	11,753	0	0	14,697	0	0	379,040
Remainder	121,398	4,148	0	0	5,188	0	0	130,735
Total Future	473,988	15,901	0	0	19,885	0	0	509,775

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	296	956	0	0	0	956	111
2023	0	917	2,971	0	0	0	2,971	346
2024	0	994	3,225	0	0	0	3,225	375
2025	0	14,268	44,441	0	0	0	44,441	5,173
2026	0	17,886	57,296	0	0	0	57,296	6,669
2027	0	11,630	37,079	0	0	0	37,079	4,316
2028	0	8,838	28,159	0	0	0	28,159	3,278
2029	0	7,095	22,602	0	0	0	22,602	2,631
2030	0	5,913	18,833	0	0	0	18,833	2,192
2031	0	5,063	16,122	0	0	0	16,122	1,877
2032	0	4,423	14,083	0	0	0	14,083	1,639
2033	0	3,907	12,438	0	0	0	12,438	1,448
2034	0	3,514	11,187	0	0	0	11,187	1,302
2035	0	3,132	9,975	0	0	0	9,975	1,161
2036	0	2,822	8,974	0	0	0	8,974	1,045
Sub Total	0	90,700	288,340	0	0	0	288,340	33,563
Remainder	0	31,266	99,468	0	0	0	99,468	11,578
Total Future	0	121,966	387,809	0	0	0	387,809	45,141

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	213	0	0	213	631	631	619
2023	634	1,383	0	2,017	608	1,239	555
2024	836	0	0	836	2,013	3,252	1,685
2025	2,340	56,412	0	58,752	-19,485	-16,233	-15,589
2026	3,253	25,361	0	28,614	22,013	5,780	14,729
2027	2,913	382	0	3,295	29,469	35,249	18,500
2028	2,781	0	0	2,781	22,101	57,350	12,606
2029	2,712	0	0	2,712	17,259	74,609	8,946
2030	2,678	0	0	2,678	13,962	88,571	6,578
2031	2,666	0	0	2,666	11,580	100,151	4,959
2032	2,630	0	0	2,630	9,814	109,965	3,821
2033	2,612	0	0	2,612	8,379	118,344	2,964
2034	2,629	0	0	2,629	7,256	125,600	2,334
2035	2,477	319	0	2,795	6,019	131,618	1,759
2036	2,321	0	0	2,321	5,608	137,226	1,491
Sub Total	33,695	83,857	0	117,552	137,226		65,957
Remainder	48,697	9,004	0	57,700	30,190	167,416	5,602
Total Future	82,391	92,861	0	175,252	167,416		71,560

**COLE CREEK**

**FIELD SUMMARY**

**PROVED  
PRODUCING**

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl)	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf)
		Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	5	12,994	12,707	9,701	98.50	0	0	0	0.00
2023	5	28,844	28,206	21,531	85.50	0	0	0	0.00
2024	5	26,288	25,703	19,620	77.00	0	0	0	0.00
2025	5	23,999	23,463	17,909	71.50	0	0	0	0.00
2026	5	22,108	21,612	16,495	73.00	0	0	0	0.00
2027	5	20,477	20,015	15,276	74.53	0	0	0	0.00
2028	5	19,105	18,672	14,250	76.09	0	0	0	0.00
2029	5	17,792	17,388	13,269	77.68	0	0	0	0.00
2030	5	16,668	16,288	12,429	79.31	0	0	0	0.00
2031	5	15,651	15,292	11,668	80.96	0	0	0	0.00
2032	5	13,933	13,747	10,485	82.65	0	0	0	0.00
2033	4	12,497	12,428	9,477	84.37	0	0	0	0.00
2034	4	11,750	11,686	8,910	86.13	0	0	0	0.00
2035	4	11,054	10,994	8,382	87.92	0	0	0	0.00
2036	4	10,431	10,375	7,910	89.75	0	0	0	0.00
Sub Total		263,590	258,575	197,311	80.36	0	0	0	0.00
Remainder		73,695	73,499	56,017	100.03	0	0	0	0.00
Total Future		337,285	332,074	253,328	84.71	0	0	0	0.00

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl)	BUTANE PRODUCTION (BARRELS)			(\$/bbl)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl)	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 24-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

COLE CREEK

FIELD SUMMARY

PROVED  
PRODUCING

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	4,331
8.00 % -	3,965
10.00 % -	3,733
15.00 % -	3,245
20.00 % -	2,880

LIFE OF SUMMARY IS 31.08 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	1,252	0	0	0	0	0	0	1,252
2023	2,412	0	0	0	0	0	0	2,412
2024	1,979	0	0	0	0	0	0	1,979
2025	1,678	0	0	0	0	0	0	1,678
2026	1,578	0	0	0	0	0	0	1,578
2027	1,492	0	0	0	0	0	0	1,492
2028	1,421	0	0	0	0	0	0	1,421
2029	1,351	0	0	0	0	0	0	1,351
2030	1,292	0	0	0	0	0	0	1,292
2031	1,238	0	0	0	0	0	0	1,238
2032	1,136	0	0	0	0	0	0	1,136
2033	1,049	0	0	0	0	0	0	1,049
2034	1,007	0	0	0	0	0	0	1,007
2035	967	0	0	0	0	0	0	967
2036	931	0	0	0	0	0	0	931
Sub Total	20,780	0	0	0	0	0	0	20,780
Remainder	7,352	0	0	0	0	0	0	7,352
Total Future	28,132	0	0	0	0	0	0	28,132

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	296	956	0	0	0	956	111
2023	0	571	1,841	0	0	0	1,841	214
2024	0	468	1,511	0	0	0	1,511	176
2025	0	397	1,280	0	0	0	1,280	149
2026	0	374	1,204	0	0	0	1,204	140
2027	0	353	1,138	0	0	0	1,138	133
2028	0	337	1,084	0	0	0	1,084	126
2029	0	320	1,031	0	0	0	1,031	120
2030	0	306	986	0	0	0	986	115
2031	0	293	945	0	0	0	945	110
2032	0	270	867	0	0	0	867	101
2033	0	249	800	0	0	0	800	93
2034	0	239	767	0	0	0	767	89
2035	0	230	737	0	0	0	737	86
2036	0	221	710	0	0	0	710	83
Sub Total	0	4,923	15,856	0	0	0	15,856	1,846
Remainder	0	1,749	5,604	0	0	0	5,604	652
Total Future	0	6,672	21,460	0	0	0	21,460	2,498

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	213	0	0	213	631	631	619
2023	499	0	0	499	1,127	1,759	1,034
2024	492	0	0	492	843	2,601	703
2025	482	588	0	1,070	62	2,663	46
2026	474	601	0	1,075	-11	2,652	-4
2027	468	382	0	850	156	2,808	94
2028	465	0	0	465	493	3,301	281
2029	461	0	0	461	450	3,751	233
2030	459	0	0	459	412	4,162	194
2031	458	0	0	458	376	4,539	161
2032	420	0	0	420	345	4,884	134
2033	392	0	0	392	314	5,198	111
2034	392	0	0	392	286	5,484	92
2035	393	319	0	711	-60	5,424	-18
2036	393	0	0	393	234	5,658	62
Sub Total	6,462	1,890	0	8,352	5,658		3,743
Remainder	3,676	2,256	0	5,932	-981	4,678	-10
Total Future	10,139	4,146	0	14,284	4,678		3,733

**COLE CREEK**

**FIELD SUMMARY**

**PROVED  
NON-PRODUCING**

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl)	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf)
		Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022		0	0	0	0.00	0	0	0	0.00
2023	4	18,173	17,267	13,212	85.50	0	0	0	0.00
2024	4	30,791	29,088	22,263	77.00	0	0	0	0.00
2025	4	19,087	18,051	13,815	71.50	0	0	0	0.00
2026	4	16,374	15,486	11,852	73.00	0	0	0	0.00
2027	4	14,269	13,495	10,328	74.53	0	0	0	0.00
2028	4	12,598	11,915	9,119	76.09	0	0	0	0.00
2029	4	11,163	10,558	8,080	77.68	0	0	0	0.00
2030	4	9,997	9,456	7,237	79.31	0	0	0	0.00
2031	4	9,015	8,527	6,526	80.96	0	0	0	0.00
2032	4	8,200	7,756	5,936	82.65	0	0	0	0.00
2033	4	7,459	7,055	5,399	84.37	0	0	0	0.00
2034	4	6,836	6,466	4,949	86.13	0	0	0	0.00
2035	4	3,188	3,033	2,344	87.92	0	0	0	0.00
2036		0	0	0	0.00	0	0	0	0.00
Sub Total		167,151	158,153	121,059	78.22	0	0	0	0.00
Remainder		0	0	0	0.00	0	0	0	0.00
Total Future		167,151	158,153	121,059	78.22	0	0	0	0.00

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl)	BUTANE PRODUCTION (BARRELS)			(\$/bbl)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl)	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00





CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 25-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

COLE CREEK

FIELD SUMMARY

PROVED  
NON-PRODUCING

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	2,047
8.00 % -	1,915
10.00 % -	1,815
15.00 % -	1,564
20.00 % -	1,339

LIFE OF SUMMARY IS 12.25 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	0	0	0	0	0	0	0	0
2023	1,476	0	0	0	0	0	0	1,476
2024	2,240	0	0	0	0	0	0	2,240
2025	1,291	0	0	0	0	0	0	1,291
2026	1,130	0	0	0	0	0	0	1,130
2027	1,006	0	0	0	0	0	0	1,006
2028	907	0	0	0	0	0	0	907
2029	820	0	0	0	0	0	0	820
2030	750	0	0	0	0	0	0	750
2031	690	0	0	0	0	0	0	690
2032	641	0	0	0	0	0	0	641
2033	595	0	0	0	0	0	0	595
2034	557	0	0	0	0	0	0	557
2035	267	0	0	0	0	0	0	267
2036	0	0	0	0	0	0	0	0
Sub Total	12,370	0	0	0	0	0	0	12,370
Remainder	0	0	0	0	0	0	0	0
Total Future	12,370	0	0	0	0	0	0	12,370

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	0	0	0	0	0	0	0
2023	0	347	1,130	0	0	0	1,130	131
2024	0	525	1,714	0	0	0	1,714	200
2025	0	303	988	0	0	0	988	115
2026	0	265	865	0	0	0	865	101
2027	0	236	770	0	0	0	770	90
2028	0	213	694	0	0	0	694	81
2029	0	192	628	0	0	0	628	73
2030	0	176	574	0	0	0	574	67
2031	0	162	528	0	0	0	528	61
2032	0	150	491	0	0	0	491	57
2033	0	140	456	0	0	0	456	53
2034	0	131	426	0	0	0	426	50
2035	0	61	206	0	0	0	206	24
2036	0	0	0	0	0	0	0	0
Sub Total	0	2,901	9,469	0	0	0	9,469	1,102
Remainder	0	0	0	0	0	0	0	0
Total Future	0	2,901	9,469	0	0	0	9,469	1,102

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	0	0	0	0	0	0	0
2023	135	1,383	0	1,518	-520	-520	-479
2024	344	0	0	344	1,171	651	982
2025	302	0	0	302	571	1,221	433
2026	305	0	0	305	459	1,680	317
2027	309	0	0	309	371	2,051	233
2028	314	0	0	314	299	2,351	171
2029	318	0	0	318	236	2,587	122
2030	323	0	0	323	184	2,771	87
2031	329	0	0	329	138	2,909	59
2032	334	0	0	334	99	3,008	39
2033	340	0	0	340	62	3,070	22
2034	346	0	0	346	30	3,101	10
2035	177	0	0	177	5	3,106	2
2036	0	0	0	0	0	3,106	0
Sub Total	3,878	1,383	0	5,260	3,106		1,997
Remainder	0	998	0	998	-998	2,108	-182
Total Future	3,878	2,381	0	6,259	2,108		1,815

COLE CREEK

FIELD SUMMARY

PROVED  
UNDEVELOPED

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022		0	0	0	0.00	0	0	0	0.00
2023		0	0	0	0.00	0	0	0	0.00
2024		0	0	0	0.00	0	0	0	0.00
2025	14	755,882	719,800	544,591	71.50	605	482	365	3.94
2026	20	955,518	916,714	698,558	73.00	764	614	468	4.02
2027	20	598,009	572,572	435,778	74.53	478	383	292	4.10
2028	20	439,547	420,798	320,192	76.09	352	282	214	4.18
2029	20	341,894	327,291	249,020	77.68	274	219	167	4.26
2030	20	276,224	264,411	201,161	79.31	221	177	135	4.35
2031	20	229,517	219,693	167,130	80.96	184	147	112	4.44
2032	20	195,341	186,973	142,232	82.65	156	125	95	4.53
2033	20	168,181	160,973	122,448	84.37	135	108	82	4.62
2034	20	147,238	140,924	107,195	86.13	118	94	72	4.71
2035	20	130,379	124,786	94,916	87.92	104	84	64	4.80
2036	20	116,865	111,849	85,075	89.75	93	75	57	4.90
Sub Total		4,354,596	4,166,784	3,168,294	76.67	3,484	2,791	2,122	4.21
Remainder		1,154,087	1,104,869	840,529	103.22	923	740	563	5.61
Total Future		5,508,683	5,271,653	4,008,823	82.23	4,407	3,530	2,685	4.50

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/L) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	75,588	71,980	54,459	33.00	0	0	0	0.00
2026	95,552	91,671	69,856	33.66	0	0	0	0.00
2027	59,801	57,257	43,578	34.33	0	0	0	0.00
2028	43,955	42,080	32,019	35.02	0	0	0	0.00
2029	34,189	32,729	24,902	35.72	0	0	0	0.00
2030	27,622	26,441	20,116	36.44	0	0	0	0.00
2031	22,952	21,969	16,713	37.16	0	0	0	0.00
2032	19,534	18,697	14,223	37.91	0	0	0	0.00
2033	16,818	16,097	12,245	38.66	0	0	0	0.00
2034	14,724	14,092	10,719	39.44	0	0	0	0.00
2035	13,038	12,479	9,492	40.22	0	0	0	0.00
2036	11,686	11,185	8,507	41.03	0	0	0	0.00
Sub Total	435,460	416,678	316,829	35.27	0	0	0	0.00
Remainder	115,409	110,487	84,053	46.96	0	0	0	0.00
Total Future	550,868	527,165	400,882	37.72	0	0	0	0.00



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 26-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

COLE CREEK

FIELD SUMMARY

PROVED  
UNDEVELOPED

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	100,375
8.00 % -	77,621
10.00 % -	66,011
15.00 % -	45,200
20.00 % -	31,822

LIFE OF SUMMARY IS 33.00 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From Sull/Other	From All Products
2022	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0
2025	51,466	1,899	0	0	2,375	0	0	55,740
2026	66,920	2,468	0	0	3,086	0	0	72,474
2027	42,674	1,572	0	0	1,966	0	0	46,212
2028	32,019	1,178	0	0	1,474	0	0	34,670
2029	25,424	934	0	0	1,169	0	0	27,527
2030	20,970	770	0	0	963	0	0	22,704
2031	17,786	653	0	0	816	0	0	19,256
2032	15,453	567	0	0	709	0	0	16,729
2033	13,581	498	0	0	622	0	0	14,702
2034	12,138	445	0	0	556	0	0	13,138
2035	10,971	401	0	0	502	0	0	11,874
2036	10,038	367	0	0	459	0	0	10,864
Sub Total	319,441	11,753	0	0	14,697	0	0	345,891
Remainder	114,046	4,148	0	0	5,188	0	0	123,382
Total Future	433,487	15,901	0	0	19,885	0	0	469,273

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0
2025	0	13,568	42,172	0	0	0	42,172	4,909
2026	0	17,247	55,227	0	0	0	55,227	6,428
2027	0	11,041	35,171	0	0	0	35,171	4,094
2028	0	8,289	26,381	0	0	0	26,381	3,071
2029	0	6,583	20,944	0	0	0	20,944	2,438
2030	0	5,431	17,273	0	0	0	17,273	2,011
2031	0	4,607	14,649	0	0	0	14,649	1,705
2032	0	4,003	12,726	0	0	0	12,726	1,481
2033	0	3,518	11,183	0	0	0	11,183	1,302
2034	0	3,145	9,994	0	0	0	9,994	1,163
2035	0	2,842	9,032	0	0	0	9,032	1,051
2036	0	2,601	8,264	0	0	0	8,264	962
Sub Total	0	82,875	263,016	0	0	0	263,016	30,615
Remainder	0	29,518	93,865	0	0	0	93,865	10,926
Total Future	0	112,393	356,880	0	0	0	356,880	41,541

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0
2025	1,556	55,824	0	57,381	-20,117	-20,117	-16,068
2026	2,473	24,760	0	27,233	21,565	1,448	14,416
2027	2,135	0	0	2,135	28,942	30,390	18,173
2028	2,003	0	0	2,003	21,308	51,698	12,154
2029	1,932	0	0	1,932	16,573	68,271	8,591
2030	1,895	0	0	1,895	13,367	81,638	6,298
2031	1,879	0	0	1,879	11,065	92,704	4,738
2032	1,875	0	0	1,875	9,370	102,073	3,647
2033	1,879	0	0	1,879	8,002	110,075	2,831
2034	1,891	0	0	1,891	6,939	117,015	2,232
2035	1,907	0	0	1,907	6,073	123,088	1,776
2036	1,928	0	0	1,928	5,374	128,462	1,428
Sub Total	23,355	80,584	0	103,939	128,462		60,217
Remainder	45,020	5,750	0	50,770	32,169	160,630	5,794
Total Future	68,375	86,334	0	154,709	160,630		66,011

**COLE CREEK**

**FIELD SUMMARY**

**TOTAL PROBABLE  
ALL CATEGORIES**

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf) Average Sales Price
		Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022		1,097	1,068	815	98.50	0	0	0	0.00
2023		3,728	3,609	2,757	85.50	0	0	0	0.00
2024		5,711	5,483	4,191	77.00	0	0	0	0.00
2025		190,800	182,717	138,465	71.50	148	119	90	3.94
2026	8	694,230	643,276	491,989	73.00	551	428	327	4.02
2027	19	1,358,370	1,263,530	968,370	74.53	1,083	843	646	4.10
2028	24	1,324,158	1,231,459	945,390	76.09	1,056	822	631	4.18
2029	25	1,028,684	953,722	730,488	77.68	820	636	487	4.26
2030	25	742,243	688,789	527,778	79.31	591	459	351	4.35
2031	25	583,745	541,730	415,120	80.96	464	360	276	4.44
2032	26	477,887	443,506	339,852	82.65	379	294	225	4.53
2033	26	399,538	370,786	284,128	84.37	316	245	188	4.62
2034	26	341,560	317,016	242,923	86.13	269	209	160	4.71
2035	30	299,386	277,991	212,991	87.92	234	182	139	4.80
2036	29	265,559	246,775	189,100	89.75	206	160	123	4.90
Sub Total		7,716,697	7,171,457	5,494,357	78.53	6,116	4,757	3,644	4.31
Remainder		2,874,264	2,675,622	2,049,463	104.16	2,253	1,754	1,343	5.65
Total Future		10,590,961	9,847,080	7,543,820	85.49	8,369	6,510	4,988	4.67

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	BUTANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl) Average Sales Price	SULPHUR PRODUCTION (LONG TONS)			(\$/L) Average Sales Price
	Gross	Working Interest	Company Net		Gross	Working Interest	Company Net	
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	18,560	17,771	13,464	33.00	0	0	0	0.00
2026	68,932	63,854	48,837	33.66	0	0	0	0.00
2027	135,370	125,903	96,493	34.33	0	0	0	0.00
2028	131,970	122,715	94,210	35.02	0	0	0	0.00
2029	102,443	94,961	72,735	35.72	0	0	0	0.00
2030	73,816	68,484	52,476	36.44	0	0	0	0.00
2031	57,982	53,793	41,221	37.16	0	0	0	0.00
2032	47,326	43,915	33,652	37.91	0	0	0	0.00
2033	39,452	36,613	28,057	38.66	0	0	0	0.00
2034	33,672	31,253	23,949	39.44	0	0	0	0.00
2035	29,209	27,112	20,776	40.22	0	0	0	0.00
2036	25,739	23,892	18,309	41.03	0	0	0	0.00
Sub Total	764,471	710,267	544,178	36.08	0	0	0	0.00
Remainder	281,677	261,851	200,587	47.36	0	0	0	0.00
Total Future	1,046,148	972,117	744,766	39.12	0	0	0	0.00



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 27-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

COLE CREEK

FIELD SUMMARY

TOTAL PROBABLE  
ALL CATEGORIES

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	233,584
8.00 % -	178,189
10.00 % -	151,003
15.00 % -	103,956
20.00 % -	74,776

LIFE OF SUMMARY IS 38.58 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	105	0	0	0	0	0	0	105
2023	309	0	0	0	0	0	0	309
2024	422	0	0	0	0	0	0	422
2025	13,064	469	0	0	586	0	0	14,120
2026	46,959	1,719	0	0	2,149	0	0	50,828
2027	94,171	3,457	0	0	4,323	0	0	101,951
2028	93,702	3,435	0	0	4,297	0	0	101,434
2029	74,085	2,709	0	0	3,392	0	0	80,186
2030	54,628	1,995	0	0	2,495	0	0	59,118
2031	43,858	1,600	0	0	1,999	0	0	47,457
2032	36,656	1,332	0	0	1,665	0	0	39,653
2033	31,283	1,133	0	0	1,416	0	0	33,832
2034	27,305	986	0	0	1,233	0	0	29,523
2035	24,441	872	0	0	1,091	0	0	26,403
2036	22,148	784	0	0	980	0	0	23,912
Sub Total	563,136	20,490	0	0	25,626	0	0	609,252
Remainder	278,705	9,916	0	0	12,401	0	0	301,022
Total Future	841,841	30,406	0	0	38,027	0	0	910,274

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	25	80	0	0	0	80	9
2023	0	73	236	0	0	0	236	27
2024	0	99	323	0	0	0	323	38
2025	0	3,420	10,700	0	0	0	10,700	1,245
2026	0	11,954	38,874	0	0	0	38,874	4,525
2027	0	23,816	78,135	0	0	0	78,135	9,095
2028	0	23,563	77,871	0	0	0	77,871	9,064
2029	0	18,769	61,417	0	0	0	61,417	7,149
2030	0	13,819	45,299	0	0	0	45,299	5,273
2031	0	11,091	36,366	0	0	0	36,366	4,233
2032	0	9,267	30,385	0	0	0	30,385	3,537
2033	0	7,907	25,925	0	0	0	25,925	3,018
2034	0	6,900	22,623	0	0	0	22,623	2,633
2035	0	6,173	20,230	0	0	0	20,230	2,355
2036	0	5,589	18,324	0	0	0	18,324	2,133
Sub Total	0	142,465	466,787	0	0	0	466,787	54,334
Remainder	0	70,450	230,572	0	0	0	230,572	26,839
Total Future	0	212,915	697,359	0	0	0	697,359	81,173

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	9	0	0	9	62	62	60
2023	25	0	0	25	183	245	166
2024	28	0	0	28	257	502	214
2025	223	0	0	223	9,231	9,733	6,910
2026	1,032	28,919	0	29,952	4,397	14,130	2,712
2027	1,654	44,949	0	46,603	22,437	36,568	13,755
2028	1,581	9,520	0	11,101	57,706	94,274	32,939
2029	2,161	18,146	0	20,307	33,962	128,236	17,542
2030	2,745	0	0	2,745	37,281	165,517	17,573
2031	2,635	0	0	2,635	29,498	195,014	12,635
2032	2,602	0	0	2,602	24,247	219,261	9,441
2033	2,587	0	0	2,587	20,320	239,581	7,190
2034	2,568	0	0	2,568	17,422	257,003	5,604
2035	2,715	0	0	2,715	15,160	272,163	4,432
2036	2,813	0	0	2,813	13,377	285,540	3,556
Sub Total	25,379	101,534	0	126,913	285,540		134,730
Remainder	86,600	6,998	0	93,598	110,135	395,675	16,273
Total Future	111,979	108,532	0	220,511	395,675		151,003



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 28-A  
(VOLUMES)

FRI SEP 2 12:23:33 2022

COLE CREEK

FIELD SUMMARY

PROBABLE  
PRODUCING

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl)	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf)
		Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022		1,097	1,068	815	98.50	0	0	0	0.00
2023		2,736	2,664	2,034	85.50	0	0	0	0.00
2024		2,856	2,784	2,125	77.00	0	0	0	0.00
2025		2,912	2,840	2,168	71.50	0	0	0	0.00
2026		2,942	2,870	2,192	73.00	0	0	0	0.00
2027		2,948	2,877	2,197	74.53	0	0	0	0.00
2028		2,944	2,874	2,195	76.09	0	0	0	0.00
2029		2,910	2,841	2,170	77.68	0	0	0	0.00
2030		2,877	2,809	2,145	79.31	0	0	0	0.00
2031		2,844	2,777	2,121	80.96	0	0	0	0.00
2032	1	3,639	3,420	2,614	82.65	0	0	0	0.00
2033	1	4,118	3,803	2,908	84.37	0	0	0	0.00
2034	1	4,012	3,710	2,838	86.13	0	0	0	0.00
2035	1	3,432	3,232	2,471	87.92	0	0	0	0.00
2036		2,432	2,413	1,842	89.75	0	0	0	0.00
Sub Total		44,698	42,983	32,835	81.08	0	0	0	0.00
Remainder		57,224	56,854	43,385	105.52	0	0	0	0.00
Total Future		101,922	99,837	76,219	94.99	0	0	0	0.00

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl)	BUTANE PRODUCTION (BARRELS)			(\$/bbl)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl)	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 28-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

COLE CREEK

FIELD SUMMARY

PROBABLE  
PRODUCING

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	1,723
8.00 % -	1,288
10.00 % -	1,089
15.00 % -	773
20.00 % -	598

LIFE OF SUMMARY IS 38.50 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From Sull/Other	From All Products
2022	105	0	0	0	0	0	0	105
2023	228	0	0	0	0	0	0	228
2024	214	0	0	0	0	0	0	214
2025	203	0	0	0	0	0	0	203
2026	210	0	0	0	0	0	0	210
2027	214	0	0	0	0	0	0	214
2028	219	0	0	0	0	0	0	219
2029	221	0	0	0	0	0	0	221
2030	223	0	0	0	0	0	0	223
2031	225	0	0	0	0	0	0	225
2032	283	0	0	0	0	0	0	283
2033	321	0	0	0	0	0	0	321
2034	320	0	0	0	0	0	0	320
2035	284	0	0	0	0	0	0	284
2036	217	0	0	0	0	0	0	217
Sub Total	3,485	0	0	0	0	0	0	3,485
Remainder	6,000	0	0	0	0	0	0	6,000
Total Future	9,485	0	0	0	0	0	0	9,485

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	25	80	0	0	0	80	9
2023	0	54	174	0	0	0	174	20
2024	0	51	164	0	0	0	164	19
2025	0	48	155	0	0	0	155	18
2026	0	50	160	0	0	0	160	19
2027	0	51	164	0	0	0	164	19
2028	0	52	167	0	0	0	167	19
2029	0	52	169	0	0	0	169	20
2030	0	53	170	0	0	0	170	20
2031	0	53	172	0	0	0	172	20
2032	0	67	216	0	0	0	216	25
2033	0	75	245	0	0	0	245	29
2034	0	75	244	0	0	0	244	28
2035	0	67	217	0	0	0	217	25
2036	0	51	165	0	0	0	165	19
Sub Total	0	823	2,662	0	0	0	2,662	310
Remainder	0	1,422	4,578	0	0	0	4,578	533
Total Future	0	2,245	7,240	0	0	0	7,240	843

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	9	0	0	9	62	62	60
2023	24	0	0	24	130	191	119
2024	26	0	0	26	119	310	99
2025	26	0	0	26	111	421	84
2026	27	0	0	27	114	535	79
2027	28	185	0	213	-68	467	-41
2028	28	0	0	28	119	586	68
2029	28	0	0	28	121	707	62
2030	29	0	0	29	122	828	57
2031	29	0	0	29	123	951	53
2032	67	0	0	67	124	1,075	48
2033	95	0	0	95	122	1,197	43
2034	96	0	0	96	120	1,317	39
2035	73	0	0	73	119	1,436	35
2036	27	0	0	27	119	1,555	32
Sub Total	612	185	0	798	1,555		836
Remainder	2,498	19	0	2,517	1,528	3,083	253
Total Future	3,110	204	0	3,315	3,083		1,089



**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME**  
**ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS**  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 29-A  
(VOLUMES)

FRI SEP 2 12:23:33 2022

COLE CREEK

FIELD SUMMARY

PROBABLE  
NON-PRODUCING

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl)	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf)
		Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022		0	0	0	0.00	0	0	0	0.00
2023		992	944	723	85.50	0	0	0	0.00
2024		2,855	2,700	2,066	77.00	0	0	0	0.00
2025		2,292	2,167	1,659	71.50	0	0	0	0.00
2026		1,972	1,865	1,427	73.00	0	0	0	0.00
2027		1,718	1,625	1,244	74.53	0	0	0	0.00
2028		1,517	1,435	1,098	76.09	0	0	0	0.00
2029		1,344	1,271	973	77.68	0	0	0	0.00
2030		1,204	1,139	871	79.31	0	0	0	0.00
2031		1,086	1,027	786	80.96	0	0	0	0.00
2032		987	934	715	82.65	0	0	0	0.00
2033		898	849	650	84.37	0	0	0	0.00
2034		823	779	596	86.13	0	0	0	0.00
2035	4	3,862	3,636	2,760	87.92	0	0	0	0.00
2036	4	5,741	5,437	4,172	89.75	0	0	0	0.00
Sub Total		27,292	25,808	19,739	81.59	0	0	0	0.00
Remainder		266	262	204	91.62	0	0	0	0.00
Total Future		27,557	26,070	19,943	81.69	0	0	0	0.00

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl)	BUTANE PRODUCTION (BARRELS)			(\$/bbl)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl)	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

THESE DATA ARE PART OF A RYDER SCOTT REPORT AND ARE SUBJECT TO THE CONDITIONS IN THE TEXT OF THE REPORT.





CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 29-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

COLE CREEK

FIELD SUMMARY

PROBABLE  
NON-PRODUCING

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	709
8.00 % -	617
10.00 % -	564
15.00 % -	457
20.00 % -	378

LIFE OF SUMMARY IS 13.50 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	0	0	0	0	0	0	0	0
2023	81	0	0	0	0	0	0	81
2024	208	0	0	0	0	0	0	208
2025	155	0	0	0	0	0	0	155
2026	136	0	0	0	0	0	0	136
2027	121	0	0	0	0	0	0	121
2028	109	0	0	0	0	0	0	109
2029	99	0	0	0	0	0	0	99
2030	90	0	0	0	0	0	0	90
2031	83	0	0	0	0	0	0	83
2032	77	0	0	0	0	0	0	77
2033	72	0	0	0	0	0	0	72
2034	67	0	0	0	0	0	0	67
2035	320	0	0	0	0	0	0	320
2036	488	0	0	0	0	0	0	488
Sub Total	2,106	0	0	0	0	0	0	2,106
Remainder	24	0	0	0	0	0	0	24
Total Future	2,130	0	0	0	0	0	0	2,130

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	0	0	0	0	0	0	0
2023	0	19	62	0	0	0	62	7
2024	0	49	159	0	0	0	159	19
2025	0	36	119	0	0	0	119	14
2026	0	32	104	0	0	0	104	12
2027	0	28	93	0	0	0	93	11
2028	0	26	84	0	0	0	84	10
2029	0	23	76	0	0	0	76	9
2030	0	21	69	0	0	0	69	8
2031	0	20	64	0	0	0	64	7
2032	0	18	59	0	0	0	59	7
2033	0	17	55	0	0	0	55	6
2034	0	16	51	0	0	0	51	6
2035	0	77	243	0	0	0	243	28
2036	0	114	374	0	0	0	374	44
Sub Total	0	495	1,611	0	0	0	1,611	187
Remainder	0	5	19	0	0	0	19	2
Total Future	0	501	1,629	0	0	0	1,629	190

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	0	0	0	0	0	0	0
2023	1	0	0	1	54	54	48
2024	3	0	0	3	138	191	115
2025	2	0	0	2	102	294	78
2026	2	0	0	2	90	384	62
2027	2	0	0	2	80	464	50
2028	2	0	0	2	72	536	41
2029	1	0	0	1	65	601	34
2030	1	0	0	1	60	661	28
2031	1	0	0	1	55	716	24
2032	1	0	0	1	51	767	20
2033	1	0	0	1	47	814	17
2034	1	0	0	1	44	859	14
2035	177	0	0	177	38	896	11
2036	315	0	0	315	16	912	4
Sub Total	511	0	0	511	912		545
Remainder	16	28	0	44	-28	885	19
Total Future	527	28	0	555	885		564

## COLE CREEK

## FIELD SUMMARY

 PROBABLE  
 UNDEVELOPED

Period	Number of Wells	OIL PRODUCTION (BARRELS)			(\$/bbl)	GAS PRODUCTION (MILLION CUBIC FEET)			(\$/Mcf)
		Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022		0	0	0	0.00	0	0	0	0.00
2023		0	0	0	0.00	0	0	0	0.00
2024		0	0	0	0.00	0	0	0	0.00
2025		185,597	177,710	134,638	71.50	148	119	90	3.94
2026	8	689,317	638,542	488,370	73.00	551	428	327	4.02
2027	19	1,353,704	1,259,027	964,929	74.53	1,083	843	646	4.10
2028	24	1,319,697	1,227,150	942,097	76.09	1,056	822	631	4.18
2029	25	1,024,429	949,610	727,345	77.68	820	636	487	4.26
2030	25	738,163	684,842	524,761	79.31	591	459	351	4.35
2031	25	579,816	537,926	412,214	80.96	464	360	276	4.44
2032	25	473,260	439,152	336,523	82.65	379	294	225	4.53
2033	25	394,522	366,134	280,570	84.37	316	245	188	4.62
2034	25	336,725	312,526	239,489	86.13	269	209	160	4.71
2035	25	292,092	271,122	207,760	87.92	234	182	139	4.80
2036	25	257,387	238,925	183,086	89.75	206	160	123	4.90
Sub Total		7,644,707	7,102,666	5,441,784	78.50	6,116	4,757	3,644	4.31
Remainder		2,816,774	2,618,507	2,005,874	104.13	2,253	1,754	1,343	5.65
Total Future		10,461,481	9,721,173	7,447,658	85.40	8,369	6,510	4,988	4.67

Period	CONDENSATE PRODUCTION (BARRELS)			(\$/bbl)	BUTANE PRODUCTION (BARRELS)			(\$/bbl)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	0	0	0	0.00	0	0	0	0.00
2026	0	0	0	0.00	0	0	0	0.00
2027	0	0	0	0.00	0	0	0	0.00
2028	0	0	0	0.00	0	0	0	0.00
2029	0	0	0	0.00	0	0	0	0.00
2030	0	0	0	0.00	0	0	0	0.00
2031	0	0	0	0.00	0	0	0	0.00
2032	0	0	0	0.00	0	0	0	0.00
2033	0	0	0	0.00	0	0	0	0.00
2034	0	0	0	0.00	0	0	0	0.00
2035	0	0	0	0.00	0	0	0	0.00
2036	0	0	0	0.00	0	0	0	0.00
Sub Total	0	0	0	0.00	0	0	0	0.00
Remainder	0	0	0	0.00	0	0	0	0.00
Total Future	0	0	0	0.00	0	0	0	0.00

Period	PROPANE/ETHANE PRODUCTION (BARRELS)			(\$/bbl)	SULPHUR PRODUCTION (LONG TONS)			(\$/Lt)
	Gross	Working Interest	Company Net	Average Sales Price	Gross	Working Interest	Company Net	Average Sales Price
2022	0	0	0	0.00	0	0	0	0.00
2023	0	0	0	0.00	0	0	0	0.00
2024	0	0	0	0.00	0	0	0	0.00
2025	18,560	17,771	13,464	33.00	0	0	0	0.00
2026	68,932	63,854	48,837	33.66	0	0	0	0.00
2027	135,370	125,903	96,493	34.33	0	0	0	0.00
2028	131,970	122,715	94,210	35.02	0	0	0	0.00
2029	102,443	94,961	72,735	35.72	0	0	0	0.00
2030	73,816	68,484	52,476	36.44	0	0	0	0.00
2031	57,982	53,793	41,221	37.16	0	0	0	0.00
2032	47,326	43,915	33,652	37.91	0	0	0	0.00
2033	39,452	36,613	28,057	38.66	0	0	0	0.00
2034	33,672	31,253	23,949	39.44	0	0	0	0.00
2035	29,209	27,112	20,776	40.22	0	0	0	0.00
2036	25,739	23,892	18,309	41.03	0	0	0	0.00
Sub Total	764,471	710,267	544,178	36.08	0	0	0	0.00
Remainder	281,677	261,851	200,587	47.36	0	0	0	0.00
Total Future	1,046,148	972,117	744,766	39.12	0	0	0	0.00



CANADIAN OVERSEAS PETROLEUM LIMITED  
ESTIMATED PROJECTION OF FUTURE RESERVES AND INCOME  
ATTRIBUTABLE TO CERTAIN LEASEHOLD AND ROYALTY INTERESTS  
CURRENCY : USD PRICE SCENARIO : ESCALATED  
AS OF JULY 31, 2022

TABLE 30-B  
(REVENUE/INCOME)

FRI SEP 2 12:23:33 2022

COLE CREEK

FIELD SUMMARY

PROBABLE  
UNDEVELOPED

DISCOUNTED

FUTURE NET INCOME - \$M  
COMPOUNDED MONTHLY

5.00 % -	231,153
8.00 % -	176,283
10.00 % -	149,351
15.00 % -	102,726
20.00 % -	73,799

LIFE OF SUMMARY IS 38.58 YEARS

GROSS REVENUE BEFORE BURDENS - \$M

Period	From Oil	From Gas	From Condensate	From Butane	From Propane	From Ethane	From SullOther	From All Products
2022	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0
2025	12,706	469	0	0	586	0	0	13,762
2026	46,614	1,719	0	0	2,149	0	0	50,482
2027	93,835	3,457	0	0	4,323	0	0	101,615
2028	93,374	3,435	0	0	4,297	0	0	101,107
2029	73,766	2,709	0	0	3,392	0	0	79,867
2030	54,315	1,995	0	0	2,495	0	0	58,805
2031	43,551	1,600	0	0	1,999	0	0	47,149
2032	36,296	1,332	0	0	1,665	0	0	39,293
2033	30,891	1,133	0	0	1,416	0	0	33,439
2034	26,918	986	0	0	1,233	0	0	29,136
2035	23,837	872	0	0	1,091	0	0	25,799
2036	21,443	784	0	0	980	0	0	23,208
Sub Total	557,545	20,490	0	0	25,626	0	0	603,661
Remainder	272,681	9,916	0	0	12,401	0	0	294,998
Total Future	830,226	30,406	0	0	38,027	0	0	898,659

ROYALTY BURDENS - \$M

REVENUE

ROYALTY CREDITS - \$M

COMPANY

AD VAL. &

Period	Crown Royalty	Other Royalty	AFTER ROYALTY-\$M	OTHER REVENUE-\$M	GCA & Other Allowances	Other Credits	FUTURE GROSS REVENUE-\$M	PRODUCTION TAXES-\$M
2022	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0
2025	0	3,335	10,426	0	0	0	10,426	1,214
2026	0	11,872	38,610	0	0	0	38,610	4,494
2027	0	23,736	77,879	0	0	0	77,879	9,065
2028	0	23,486	77,621	0	0	0	77,621	9,035
2029	0	18,694	61,173	0	0	0	61,173	7,121
2030	0	13,746	45,060	0	0	0	45,060	5,245
2031	0	11,019	36,130	0	0	0	36,130	4,206
2032	0	9,183	30,110	0	0	0	30,110	3,505
2033	0	7,815	25,625	0	0	0	25,625	2,983
2034	0	6,809	22,327	0	0	0	22,327	2,599
2035	0	6,029	19,770	0	0	0	19,770	2,301
2036	0	5,424	17,784	0	0	0	17,784	2,070
Sub Total	0	141,147	462,514	0	0	0	462,514	53,837
Remainder	0	69,023	225,975	0	0	0	225,975	26,304
Total Future	0	210,170	688,489	0	0	0	688,489	80,140

DEDUCTIONS - \$M

FUTURE NET INCOME BEFORE INCOME TAXES - \$M

Period	Operating Costs	Capital Costs	Other Costs	Total Costs	Annual	Cumulative	Discounted @ 10 %
2022	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0
2025	194	0	0	194	9,018	9,018	6,748
2026	1,003	28,919	0	29,922	4,193	13,212	2,572
2027	1,625	44,763	0	46,388	22,426	35,637	13,747
2028	1,551	9,520	0	11,071	57,515	93,152	32,830
2029	2,131	18,146	0	20,277	33,776	126,928	17,446
2030	2,715	0	0	2,715	37,100	164,027	17,488
2031	2,605	0	0	2,605	29,320	193,347	12,559
2032	2,533	0	0	2,533	24,072	217,419	9,373
2033	2,491	0	0	2,491	20,151	237,570	7,131
2034	2,471	0	0	2,471	17,257	254,827	5,551
2035	2,465	0	0	2,465	15,003	269,830	4,387
2036	2,471	0	0	2,471	13,243	283,073	3,520
Sub Total	24,256	101,348	0	125,604	283,073		133,350
Remainder	84,087	6,951	0	91,037	108,635	391,708	16,001
Total Future	108,343	108,299	0	216,641	391,708		149,351

## TABLES

**CANADIAN OVERSEAS PETROLEUM LIMITED**  
**ECONOMIC PARAMETERS**  
**BFU GAS FLOOD FIELD**  
Effective July 31, 2022

All Currency is in US Dollars

**ECONOMIC PARAMETERS**

<b>Description</b>	<b>Amount</b>	<b>Units</b>	<b>Comment</b>
Ad Valorem Tax	6.0 %		
Gas Heating Value	1000	BTU/scf	
Gas Shrinkage	10.0 %		
NGL Yield	100	bbl/mmcft	
Fixed Well Operating Cost *	\$ 10,000	\$/well-mo	
	8,000		2022
	6,000		2023
			New wells \$9,000/well-mo for 6 months then \$6,000 end of life
Fixed Injector Operating Cost*	\$ 2,500	\$/well-mo	
Variable Lease Operating Cost – Oil *	\$ 1.50	\$/bbl oil	
Variable Lease Injection Cost *	\$ 0.15	\$/mcf	
Variable Lease Operating Cost – Water *	\$ 1.47	\$/bbl water	
Variable Lease Oil Trucking Cost *	\$ 2.50	\$/bbl oil	
Oil Price Differential	\$ 3.50	\$/bbl	

Ryder Scott has scheduled the costs associated with Natural Gas and NGL Injection fluids as capital for the life of the EOR Project.

\* Costs and Capital are subject to the RSC escalation schedule. Escalation begins in July 2022 at 3.65 percent annually and in 2023 - 4.0 percent and then beginning in 2024 - 2.0 percent annually each year thereafter until the major hydrocarbon product reaches its final price

Interest Details																						
UWI	Pool	Well Type	Royalty Calc.	Rever.	Rever. Type	Rever. Value	WI (%)	Net Revenue (%)	Interest	Pooling Factor	Tract Factor	Mineral Owner	Prod. Cat.	Freehold Royalty	NPI Pay. (%)	NOR Pay. (%)	GOR Pay. (%)	SS ORR Pay. (%)	NPI Rec. (%)	NOR Rec. (%)	GOR Rec. (%)	SS ORR Rec. (%)
BFU 21-35-76 ST A SN 3H (549009295270100)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 22-27V (549009346370000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 44-21V (549009342330000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 34-20V (549009348180000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 42-28V (549009347800000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 14-23V (549009349170000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 32-21V (549009407530000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 44-22V (549009408270000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 11-22V (549009448960000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 41-22V (549009481610000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 31-35V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 22-35V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 44-26V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FEDERAL 41-34H (549009350950000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 21-34D (549009473320000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 33-23V (549009348700000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 41-26V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 32-23V (549009348720000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 14-17V (549009369070000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 32-27V (549009408280000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 23-28V (549009379360000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 21-21V (549009407520000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 42-29V (549009455040000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU SE-16V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED NE-17V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED NW-17V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU SE-18V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED NW-15V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 41-20V (549009416870000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 23-14V (549009387020000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 22-29V (549009406530000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 12-20V (549009407500000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED SW-24V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 23-27V (549009348190000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 11-28V (549009407510000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED 34-15V (549009449380000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU NW-30V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU SW-19V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED NW-25V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 44-19V (549009387790000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 42-19V (549009483860000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 41-16V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 41-30V (549009414060000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU FED SW-25V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU 34-14V (549009422210000)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
FEDERAL 12-26 (549009229220002)	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU NW-14V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						
BFU NE-15V	SHANNON	Oil		BPO			85.036181		66.454828	1	1				0	21.85111417						

Interest Details

UWI	Pool	Well Type	Royalty Calc.	Rever.	Rever. Type	Rever. Value	WI (%)	Net Revenue Interest (%)	Pooling Factor	Tract Factor	Mineral Owner	Prod. Cat.	Freehold Royalty	NPI Pay. (%)	NOR Pay. (%)	GOR Pay. (%)	SS ORR Pay. (%)	NPI Rec. (%)	NOR Rec. (%)	GOR Rec. (%)	SS ORR Rec. (%)
BFU SW-29V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU SE-29V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU SE-30V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU NW-33V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU NE-33V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU SW-34V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU SW-35V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU SE-33V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU Gas Plant Phase 1 Upgrade	SHANNON	Cost Entity		BPO			85.036181	66.454828	1	1					21.85111417				0		
BFU 44-17D (549009482840000)	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU NE-32V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU SW-10V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU SE-10V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU NW-24	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU Deemed Liability& ARO	SHANNON	Cost Entity		BPO			100	100	1	1						0					
BFU GF_COMPRESSOR ADDITION	SHANNON	Cost Entity		BPO			85.036181	66.454828	1	1					21.85111417						
BFU GF Supply Gas CAPEX	SHANNON	Cost Entity		BPO			85.036181	66.454828	1	1					21.85111417						
BFU Fed 24-30V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
WBF 41-36V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU 21-32V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU Fed 21-31V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU Fed 31-31V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
WBF SE-25V	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU Viper Fed 42-10H	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
BFU Fee-Fed 31-36H	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
Gas Blow Down	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						
Incremental Opex 2022	SHANNON	Cost Entity		BPO			85.036181	66.454828	1	1					21.85111417						
BFU GF Injectors	SHANNON	Oil		BPO			85.036181	66.454828	1	1				0	21.85111417						

# CANADIAN OVERSEAS PETROLEUM LIMITED

## ECONOMIC PARAMETERS

### COLE CREEK FIELD

Effective July 31, 2022

All Currency is in US Dollars

### ECONOMIC PARAMETERS

Description	Amount	Units	Comment
Ad Valorem Tax	6.0%		
Gas Heating Value	1000	BTU/scf	
Gas Shrinkage	16.3%		
NGL Yield	125	bbl/mmcf	
Fixed Well Operating Cost – Developed Wells *	\$4,300	\$/well-mo	
Fixed Well Operating Cost – Undeveloped Wells *	\$5,710	\$/well-mo	\$9,000/well-mo for 6 months, then \$5,710
Variable Lease Operating Cost – Oil *	\$5.85	\$/bbl oil	
Variable Lease Operating Cost – Oil *	\$1.00	\$/bbl oil	Undeveloped Wells with operational pipeline
Variable Lease Operating Cost – Water *	\$2.80	\$/bbl	All Wells
Oil Price Differential *	\$3.50	\$/bbl	

\* Costs and Capital are subject to the RSC escalation schedule. Escalation begins in 2022 at 3.65 percent annually, 2023 at 4.0 percent annually and then beginning in 2024 - 2.0 percent annually each year thereafter until the major hydrocarbon product reaches its final price.



## Interest Details

UWI	Pool	Well Type	Royalty Calc.	Rever.	Rever. Type	Rever. Value	WI (%)	Net Revenue Interest (%)	Pooling Factor	Tract Factor	Mineral Owner	Prod. Cat.	Freehold Royalty	NPI Pay. (%)	NOR Pay. (%)	GOR Pay. (%)	SS ORR Pay. (%)	NPI Rec. (%)	NOR Rec. (%)	GOR Rec. (%)	SS ORR Rec. (%)
COLE CREEK 11-22 (549025238090000)	Frontier 2	Oil		BPO			100	76.421875	1	1					23.578125						
COLE CREEK 44-22H (549009281400200)	Frontier 2	Oil		BPO			100	76.421875	1	1					23.578125						
COLE CREEK 31-17H (549025234620000)	Dakota	Oil		BPO			100	75	1	1					25						
FEDERAL 21-26G (549009200430001)	Frontier 2	Oil		BPO			90.5796875	67.9640625	1	1					24.96765624						
COLE CREEK F12-26G (549009064490001)	Frontier 2	Oil		BPO			90.5796875	67.9640625	1	1					24.96765624						
EVANS FEE F32-27P (549009064470001)	Frontier 2	Oil		BPO			97.1515625	74.9203125	1	1					22.88305965						
COLE CREEK 5-22 (549025238080000)	Frontier 2	Oil		BPO			100	76.421875	1	1					23.578125						
COLE CREEK 12-23 (549009286010000)	Frontier 2	Oil		BPO			81.25	62.36875	1	1					23.23846154						
COLE CREEK 4-27 (549025238110000)	Frontier 2	Oil		BPO			97.1515625	74.9203125	1	1					22.88305965						
FEDERAL 10-6 F2 Recompl F2	Frontier 2	Oil		BPO			100	78.4703125	1	1					21.5296875						
SEVEN CROSS FEDERAL 21-9 Recompl F2	Frontier 2	Oil		BPO			100	75	1	1					25						
FEDERAL 3-14 Recompl F2	Frontier 2	Oil		BPO			81.25	61.20625	1	1					24.66923077						
Cole Crk 41-27 WDW Recompl F2	Frontier 2	Oil		BPO			97.1515625	74.9203125	1	1					22.88305965						
F2_Sec 27 Loc 2	Frontier 2	Oil		BPO			97.1515625	74.9203125	1	1					22.88305965						
F2_Sec 27 Loc 3	Frontier 2	Oil		BPO			97.1515625	74.9203125	1	1					22.88305965						
F2_Sec 26 Loc 2	Frontier 2	Oil		BPO			90.5796875	67.9640625	1	1					24.96765624						
F2_Sec 26 Loc 1	Frontier 2	Oil		BPO			90.5796875	67.9640625	1	1					24.96765624						
F2_Sec 26 Loc 3	Frontier 2	Oil		BPO			90.5796875	67.9640625	1	1					24.96765624						
F2_Sec 27 Loc 1	Frontier 2	Oil		BPO			97.1515625	74.9203125	1	1					22.88305965						
F2_Sec 15 Loc 2	Frontier 2	Oil		BPO			100	76.76875	1	1					23.23125						
F2_Sec 15 Loc 3	Frontier 2	Oil		BPO			100	76.76875	1	1					23.23125						
F2_Sec 28 Loc 1	Frontier 2	Oil		BPO			62.75	47.53901225	1	1					24.24061792						
F2_Sec 16 Loc 1	Frontier 2	Oil		BPO			100	75	1	1					25						
F2_Sec 16 Loc 3	Frontier 2	Oil		BPO			100	75	1	1					25						
F2_Sec 16 Loc 2	Frontier 2	Oil		BPO			100	75	1	1					25						
F2_Sec 17 Loc 1	Frontier 2	Oil		BPO			100	75	1	1					25						
F2_Sec 09 Loc 3	Frontier 2	Oil		BPO			100	75	1	1					25						
F2_Sec 15 Loc 1	Frontier 2	Oil		BPO			100	76.76875	1	1					23.23125						
F2_Sec 21 Loc 3	Frontier 2	Oil		BPO			100	76.1921875	1	1					23.8078125						
F2_Sec 10 Loc 3	Frontier 2	Oil		BPO			100	78.4703125	1	1					21.5296875						
F2_Sec 10 Loc 1	Frontier 2	Oil		BPO			100	78.4703125	1	1					21.5296875						
F2_Sec 10 Loc 2	Frontier 2	Oil		BPO			100	78.4703125	1	1					21.5296875						
F2_Sec 20 Loc 1	Frontier 2	Oil		BPO			50	37.5	1	1					25						
F2_Sec 21 Loc 2	Frontier 2	Oil		BPO			100	76.1921875	1	1					23.8078125						
F2_Sec 09 Loc 1	Frontier 2	Oil		BPO			100	75	1	1					25						
F2_Sec 09 Loc 2	Frontier 2	Oil		BPO			100	75	1	1					25						
F2_Sec 08 Loc 1	Frontier 2	Oil		BPO			75	57.8943735	1	1					22.807502						
F2_Sec 17 Loc 2	Frontier 2	Oil		BPO			100	75	1	1					25						
F2_Sec 08 Loc 2	Frontier 2	Oil		BPO			75	57.8943735	1	1					22.807502						
F2_Sec 08 Loc 3	Frontier 2	Oil		BPO			75	57.8943735	1	1					22.807502						
DK Sec 20 Loc 1	Dakota	Oil		BPO			50	37.5	1	1					25						
DK Sec 04 Loc 2	Dakota	Oil		BPO			87.41821842	65.56366381	1	1					25.00000001						
DK Sec 10 Loc 1	Dakota	Oil		BPO			100	78.4703125	1	1					21.5296875						
DK Sec 10 Loc 2	Dakota	Oil		BPO			100	78.4703125	1	1					21.5296875						
DK Sec 09 Loc 1	Dakota	Oil		BPO			100	75	1	1					25						
DK Sec 15 Loc 1	Dakota	Oil		BPO			100	76.76875	1	1					23.23125						
DK Sec 03 Loc 2	Dakota	Oil		BPO			87.58878622	69.09017734	1	1					21.119837						
DK Sec 21 Loc 1	Dakota	Oil		BPO			100	76.1921875	1	1					23.8078125						
DK Sec 21 Loc 2	Dakota	Oil		BPO			100	76.1921875	1	1					23.8078125						
DK Sec 17 Loc 1	Dakota	Oil		BPO			100	75	1	1					25						

Interest Details UWI	Pool	Well Type	Royalty Calc.	Rever.	Rever. Type	Rever. Value	WI (%)	Net Revenue	Interest	Pooling Factor	Tract Factor	Mineral Owner	Prod. Cat.	Freehold Royalty	NPI Pay.	NOR Pay.	GOR Pay.	SS Pay.	ORR Pay.	NPI Rec.	NOR Rec.	GOR Rec.	SS Rec.	ORR Rec.
DK Sec 17 Loc 2	Dakota	Oil		BPO				100	75		1	1					25							
DK Sec 16 Loc 2	Dakota	Oil		BPO				100	75		1	1					25							
DK Sec 16 Loc 1	Dakota	Oil		BPO				100	75		1	1					25							
Cole Creek Deemed Liabilty Case		Cost Entity		BPO				100	100		1	1					0							
Cole Creek Oil/Gas Pipelines		Cost Entity		BPO				66.67	66.67		1	1					0							
F2_Sec 21 Loc 1	Frontier 2	Oil		BPO				100	76.1921875		1	1					23.8078125							
F2_Sec 22 Loc 1	Frontier 2	Oil		BPO				100	76.421875		1	1					23.578125							
F2_Sec 22 Loc 2	Frontier 2	Oil		BPO				100	76.421875		1	1					23.578125							
DK_Sec 25 Loc1	Dakota	Oil		BPO				100	82.296875		1	1					17.703125							
DK Sec 03 Loc 1	Dakota	Oil		BPO			87.58878622	69.09017734			1	1					21.119837							
DK Sec 04 Loc 1	Dakota	Oil		BPO			87.41821842	65.56366381			1	1					25.00000001							
DK Sec 22 Loc 1	Dakota	Oil		BPO				100	76.421875		1	1					23.578125							
DK Sec 22 Loc 2	Dakota	Oil		BPO				100	76.421875		1	1					23.578125							

## CANADIAN OVERSEAS PETROLEUM LIMITED

ECONOMIC PARAMETERS - CAPITAL COSTS (M\$)\*

FRI SEP 2 13:23:49 2022

AS OF JULY 31, 2022

Well Information				Capital Category							Dates		
Case	Zone	Type	Status	Total	Tang	Intang	Drill	Cmpl	Wkvr	Oth	Abd	Inv	Abd
BFU DAKOTA FIELD, Wyoming													
BFU FED 1430VF (549009485180000)	Dakota	Oil	PV-PD	301		301					301		1/1/2056
BFU FED 1430VF (549009485180000)	Dakota	Oil	PB-PD										
BFU GAS FLOOD FIELD, Wyoming													
BFU DEEMED LIABILITY& ARO	SHANNON	Cos	PV-PD	1,067		1,067					1,067	1/1/2050	1/1/2069
BFU GF SUPPLY GAS CAPEX	SHANNON	Cos	PV-PD	44,567		44,567				44,567		1/1/2023	
BFU GF SUPPLY GAS CAPEX	SHANNON	Cos	PV-UD	11,183		11,183				11,183		1/1/2023	
BFU GF SUPPLY GAS CAPEX	SHANNON	Cos	PB-PD	4,331		4,331				4,331		1/1/2023	
BFU 14-17V (549009369070000)	SHANNON	Oil	PV-UD	480	480					480		1/1/2024	
BFU 14-23V (549009349170000)	SHANNON	Oil	PV-PD	232		232					232		1/1/2033
BFU 14-23V (549009349170000)	SHANNON	Oil	PB-PD	1		1					1	1/1/2033	
BFU 21-35-76 ST A SN 3H (549009295270100)	SHANNON	Oil	PV-PD	301		301					301		1/1/2064
BFU 21-35-76 ST A SN 3H (549009295270100)	SHANNON	Oil	PV-UD										
BFU 21-35-76 ST A SN 3H (549009295270100)	SHANNON	Oil	PB-PD										1/1/2065
BFU 21-35-76 ST A SN 3H (549009295270100)	SHANNON	Oil	PB-UD										1/1/2065
BFU 22-27V (549009346370000)	SHANNON	Oil	PV-PD	1,407		1,407				1,106	301	1/1/2023	1/1/2065
BFU 22-29V (549009406530000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2061
BFU 22-29V (549009406530000)	SHANNON	Oil	PB-PD										1/1/2062
BFU 23-14V (549009387020000)	SHANNON	Oil	PV-PD	290		290					290		1/1/2045
BFU 23-14V (549009387020000)	SHANNON	Oil	PB-PD	8		8					8	1/1/2045	1/1/2046
BFU 23-27V (549009348190000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2060
BFU 23-27V (549009348190000)	SHANNON	Oil	PB-PD										
BFU 23-28V (549009379360000)	SHANNON	Oil	PV-PD	1,421		1,421				1,120	301	1/1/2023	1/1/2065
BFU 32-27V (549009408280000)	SHANNON	Oil	PV-PD	1,410		1,410				1,109	301	1/1/2023	
BFU 34-14V (549009422210000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2051
BFU 34-20V (549009348180000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2063
BFU 34-20V (549009348180000)	SHANNON	Oil	PB-PD										1/1/2065
BFU 41-30V (549009414060000)	SHANNON	Oil	PV-PD	292		292					292		1/1/2045
BFU 41-30V (549009414060000)	SHANNON	Oil	PB-PD	0		0					0		1/1/2045
BFU 42-19V (549009483860000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2061
BFU 42-19V (549009483860000)	SHANNON	Oil	PB-PD										1/1/2066
BFU 42-28V (549009347800000)	SHANNON	Oil	PV-PD	1,415		1,415				1,115	301	1/1/2023	1/1/2057
BFU 42-28V (549009347800000)	SHANNON	Oil	PB-PD										1/1/2059
BFU 42-29V (549009455040000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2054
BFU 42-29V (549009455040000)	SHANNON	Oil	PB-PD										1/1/2055
BFU 44-17D (549009482840000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2062
BFU 44-17D (549009482840000)	SHANNON	Oil	PB-PD										1/1/2065
BFU 44-17D (549009482840000)	SHANNON	Oil	PB-UD										
BFU 44-19V (549009387790000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2061
BFU 44-19V (549009387790000)	SHANNON	Oil	PB-PD										1/1/2063

\* Capital costs are on a 100% Gross Lease basis.

## CANADIAN OVERSEAS PETROLEUM LIMITED

### ECONOMIC PARAMETERS - CAPITAL COSTS (M\$)\*

FRI SEP 2 13:23:49 2022

AS OF JULY 31, 2022

Well Information				Capital Category							Dates		
Case	Zone	Type	Status	Total	Tang	Intang	Drill	Cmpl	Wkvr	Oth	Abd	Inv	Abd
BFU 44-21V (549009342330000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2065
BFU 44-22V (549009408270000)	SHANNON	Oil	PV-PD	1,418		1,418				1,117	301	1/1/2023	
BFU 44-22V (549009408270000)	SHANNON	Oil	PB-PD										1/1/2063
BFU FED 11-28V (549009407510000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2067
BFU FED 12-20V (549009407500000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2064
BFU FED 12-20V (549009407500000)	SHANNON	Oil	PB-PD										1/1/2065
BFU FED 21-21V (549009407520000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2060
BFU FED 21-21V (549009407520000)	SHANNON	Oil	PB-PD										
BFU FED 32-21V (549009407530000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2065
BFU FED 32-23V (549009348720000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2058
BFU FED 32-23V (549009348720000)	SHANNON	Oil	PB-PD										1/1/2059
BFU FED 33-23V (549009348700000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2065
BFU FED 33-23V (549009348700000)	SHANNON	Oil	PB-PD										1/1/2067
BFU FED 41-20V (549009416870000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2057
BFU FED 41-20V (549009416870000)	SHANNON	Oil	PB-PD										
BFU FED 41-22V (549009481610000)	SHANNON	Oil	PV-PD	203		203					203		1/1/2027
BFU FED 11-22V (549009448960000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2065
BFU FED 34-15V (549009449380000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2060
BFU FED 34-15V (549009449380000)	SHANNON	Oil	PB-PD										
BFU FEDERAL 41-34H (549009350950000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2059
BFU 21-34D (549009473320000)	SHANNON	Oil	PV-PD	301		301					301		1/1/2062
FEDERAL 12-26 (549009229220002)	SHANNON	Oil	PV-PD	1,412		1,412				1,112	301	1/1/2023	
BFU GF INJECTORS	SHANNON	Oil	PV-PD	2,404		2,404					2,404		1/1/2054
BFU GF INJECTORS	SHANNON	Oil	PV-UD	2,404		2,404					2,404		1/1/2054
BFU GF INJECTORS	SHANNON	Oil	PB-UD	902		902					902		1/1/2054
GAS BLOW DOWN	SHANNON	Oil	PV-PD	1,002		1,002				1,002		1/1/2049	
BFU 41-16V	SHANNON	Oil	PV-UD	2,626	670	1,956				2,525	100	1/1/2025	1/1/2061
BFU 41-16V	SHANNON	Oil	PB-UD										1/1/2065
BFU FED 22-35V	SHANNON	Oil	PV-UD	2,772	656	2,117				2,472	301	1/1/2024	
BFU FED 24-30V	SHANNON	Oil	PB-UD	2,801	663	2,138				2,500	301	1/1/2025	
BFU FED 41-26V	SHANNON	Oil	PV-UD	2,818	668	2,150				2,517	301	1/1/2025	
BFU FED 41-26V	SHANNON	Oil	PB-UD										
BFU FED 44-26V	SHANNON	Oil	PV-UD	2,805	664	2,141				2,505	301	1/1/2025	
BFU FED NE-17V	SHANNON	Oil	PV-UD	2,826	670	2,156				2,525	301	1/1/2025	
BFU FED NE-17V	SHANNON	Oil	PB-UD										
BFU FED NW-15V	SHANNON	Oil	PV-UD	2,775	656	2,119				2,474	301	1/1/2023	
BFU FED NW-15V	SHANNON	Oil	PB-UD										1/1/2065
BFU NW-24	SHANNON	Oil	PV-UD	2,822	669	2,153				2,521	301	1/1/2025	
BFU NW-24	SHANNON	Oil	PB-UD										1/1/2064
BFU FED NW-25V	SHANNON	Oil	PV-UD	2,818	668	2,150				2,517	301	1/1/2025	
BFU NE-15V	SHANNON	Oil	PV-UD	2,768	655	2,114				2,468	301	1/1/2024	
BFU NE-33V	SHANNON	Oil	PV-UD	2,704	638	2,067				2,404	301	1/1/2023	1/1/2065

\* Capital costs are on a 100% Gross Lease basis.

## CANADIAN OVERSEAS PETROLEUM LIMITED

ECONOMIC PARAMETERS - CAPITAL COSTS (M\$)\*

FRI SEP 2 13:23:49 2022

AS OF JULY 31, 2022

Well Information				Capital Category							Dates		
Case	Zone	Type	Status	Total	Tang	Intang	Drill	Cmpl	Wkvr	Oth	Abd	Inv	Abd
BFU NE-33V	SHANNON	Oil	PB-UD										1/1/2066
BFU NW-33V	SHANNON	Oil	PV-UD	2,801	663	2,138				2,500	301	1/1/2025	1/1/2060
BFU SE-16V	SHANNON	Oil	PV-UD	2,704	638	2,067				2,404	301	1/1/2023	1/1/2065
BFU SW-29V	SHANNON	Oil	PV-UD	2,775	656	2,119				2,474	301	1/1/2023	1/1/2065
BFU SW-29V	SHANNON	Oil	PB-UD										
BFU SW-34V	SHANNON	Oil	PV-UD	2,801	663	2,138				2,500	301	1/1/2025	1/1/2062
BFU SW-34V	SHANNON	Oil	PB-UD										
BFU 21-32V	SHANNON	Oil	PB-UD	2,752	650	2,102				2,451	301	1/1/2024	1/1/2065
BFU FED 31-31V	SHANNON	Oil	PB-UD	2,776	657	2,120				2,476	301	1/1/2024	1/1/2065
BFU FED 31-35V	SHANNON	Oil	PB-UD	2,822	669	2,153				2,521	301	1/1/2025	
BFU FEE-FED 31-36H	SHANNON	Oil	PB-UD	3,622	1,107	2,515				3,321	301	1/1/2026	1/1/2062
BFU NE-32V	SHANNON	Oil	PB-UD	2,756	651	2,105				2,456	301	1/1/2024	
BFU SE-10V	SHANNON	Oil	PB-UD	2,772	656	2,117				2,472	301	1/1/2024	
BFU VIPER FED 42-10H	SHANNON	Oil	PB-UD	4,736	1,109	3,627				4,436	301	1/1/2026	
BFU FED SW-24V	SHANNON	Oil	PV-UD	2,553	1,049	1,504				2,553		1/1/2025	
BFU FED SW-25V	SHANNON	Oil	PV-UD	2,540	1,044	1,496				2,540		1/1/2025	
BFU NW-14V	SHANNON	Oil	PV-UD	2,557	1,051	1,506				2,557		1/1/2025	
BFU SE-29V	SHANNON	Oil	PV-UD	2,492	1,018	1,474				2,492		1/1/2024	
BFU SE-30V	SHANNON	Oil	PV-UD	2,969	1,139	1,830				2,969		1/1/2023	
BFU SW-19V	SHANNON	Oil	PV-UD	2,441	1,005	1,436				2,441		1/1/2023	
BFU SW-35V	SHANNON	Oil	PV-UD	2,540	1,044	1,496				2,540		1/1/2025	
BFU SW-10V	SHANNON	Oil	PB-UD	3,034	1,178	1,855				3,034		1/1/2025	
BFU SE-33V	SHANNON	Oil	PB-UD	2,950	1,146	1,804				2,950		1/1/2024	
WBF SE-25V	SHANNON	Oil	PB-UD	2,434	1,003	1,431				2,434		1/1/2023	
COLE CREEK FIELD, Wyoming													
COLE CREEK DEEMED LIABILITY CASE		Cos	PV-PD	2,173		2,173					2,173	1/1/2025	1/1/2050
COLE CREEK 11-22 (549025238090000)	Frontier 2	Oil	PV-PD	301		301					301		1/1/2058
COLE CREEK 11-22 (549025238090000)	Frontier 2	Oil	PB-PD										
COLE CREEK 12-23 (549009286010000)	Frontier 2	Oil	PV-PD	248		248					248		1/1/2037
COLE CREEK 12-23 (549009286010000)	Frontier 2	Oil	PB-PD	16		16					16	1/1/2037	1/1/2040
COLE CREEK 31-17H (549025234620000)	Dakota	Oil	PV-PD	301		301					301		1/1/2049
COLE CREEK 31-17H (549025234620000)	Dakota	Oil	PB-PD										
COLE CREEK 4-27 (549025238110000)	Frontier 2	Oil	PV-PD	295		295					295		1/1/2046
COLE CREEK 4-27 (549025238110000)	Frontier 2	Oil	PB-PD	6		6					6	1/1/2046	1/1/2052
COLE CREEK 44-22H (549009281400200)	Frontier 2	Oil	PV-PD	202		202					202		1/1/2026
COLE CREEK 5-22 (549025238080000)	Frontier 2	Oil	PV-PD	301		301					301		1/1/2049
COLE CREEK 5-22 (549025238080000)	Frontier 2	Oil	PB-PD										
COLE CREEK F12-26G (549009064490001)	Frontier 2	Oil	PB-PD	205		205					205		1/1/2027
EVANS FEE F32-27P (549009064470001)	Frontier 2	Oil	PV-PD	204		204					204		1/1/2027
FEDERAL 21-26G (549009200430001)	Frontier 2	Oil	PV-PD	203		203					203		1/1/2027
COLE CRK 41-27 WDW RECOMPL F2	Frontier 2	Oil	PV-NP	632	73	558				367	265	1/1/2023	1/1/2040

\* Capital costs are on a 100% Gross Lease basis.

## CANADIAN OVERSEAS PETROLEUM LIMITED

### ECONOMIC PARAMETERS - CAPITAL COSTS (M\$)\*

FRI SEP 2 13:23:49 2022

AS OF JULY 31, 2022

Well Information				Capital Category								Dates	
Case	Zone	Type	Status	Total	Tang	Intang	Drill	Cmpl	Wkvr	Oth	Abd	Inv	Abd
COLE CRK 41-27 WDW RECOMPL F2	Frontier 2	Oil	PB-NP	8		8					8	1/1/2040	1/1/2042
FEDERAL 10-6 F2 RECOMPL F2	Frontier 2	Oil	PV-NP	630	73	557				365	266	1/1/2023	
FEDERAL 10-6 F2 RECOMPL F2	Frontier 2	Oil	PB-NP	7		7					7	1/1/2040	
FEDERAL 3-14 RECOMPL F2	Frontier 2	Oil	PV-NP	629	73	556				366	263	1/1/2023	1/1/2040
FEDERAL 3-14 RECOMPL F2	Frontier 2	Oil	PB-NP	7		7					7	1/1/2040	1/1/2041
SEVEN CROSS FEDERAL 21-9 RECOMPL F2	Frontier 2	Oil	PV-NP	626	73	553				365	262	1/1/2023	1/1/2040
SEVEN CROSS FEDERAL 21-9 RECOMPL F2	Frontier 2	Oil	PB-NP	8		8					8	1/1/2040	1/1/2041
DK SEC 09 LOC 1	Dakota	Oil	PV-UD	4,485	837	3,648				4,184	301	1/1/2025	
DK SEC 09 LOC 1	Dakota	Oil	PB-UD										1/1/2065
DK SEC 16 LOC 1	Dakota	Oil	PV-UD	4,512	842	3,670				4,212	301	1/1/2025	1/1/2061
DK SEC 16 LOC 1	Dakota	Oil	PB-UD										1/1/2065
DK SEC 16 LOC 2	Dakota	Oil	PV-UD	4,498	840	3,659				4,198	301	1/1/2025	1/1/2061
DK SEC 16 LOC 2	Dakota	Oil	PB-UD										
DK SEC 17 LOC 1	Dakota	Oil	PV-UD	4,471	834	3,637				4,170	301	1/1/2025	
DK SEC 17 LOC 1	Dakota	Oil	PB-UD										1/1/2065
DK SEC 17 LOC 2	Dakota	Oil	PV-UD	4,478	835	3,642				4,177	301	1/1/2025	1/1/2061
DK SEC 17 LOC 2	Dakota	Oil	PB-UD										1/1/2065
DK SEC 20 LOC 1	Dakota	Oil	PV-UD	4,491	838	3,653				4,191	301	1/1/2025	
DK SEC 20 LOC 1	Dakota	Oil	PB-UD										1/1/2065
DK SEC 21 LOC 1	Dakota	Oil	PV-UD	4,505	841	3,664				4,205	301	1/1/2025	
DK SEC 21 LOC 1	Dakota	Oil	PB-UD										
DK SEC 21 LOC 2	Dakota	Oil	PV-UD	4,554	851	3,703				4,254	301	1/1/2026	1/1/2062
DK SEC 21 LOC 2	Dakota	Oil	PB-UD										1/1/2066
DK_SEC 25 LOC1	Dakota	Oil	PV-UD	4,554	851	3,703				4,254	301	1/1/2026	
DK_SEC 25 LOC1	Dakota	Oil	PB-UD										1/1/2067
F2_SEC 16 LOC 1	Frontier 2	Oil	PV-UD	4,478	835	3,642				4,177	301	1/1/2025	
F2_SEC 16 LOC 1	Frontier 2	Oil	PB-UD										
F2_SEC 16 LOC 2	Frontier 2	Oil	PV-UD	4,491	838	3,653				4,191	301	1/1/2025	
F2_SEC 16 LOC 2	Frontier 2	Oil	PB-UD										1/1/2068
F2_SEC 21 LOC 1	Frontier 2	Oil	PV-UD	4,512	842	3,670				4,212	301	1/1/2025	1/1/2063
F2_SEC 21 LOC 1	Frontier 2	Oil	PB-UD										
F2_SEC 22 LOC 1	Frontier 2	Oil	PV-UD	4,554	851	3,703				4,254	301	1/1/2026	
F2_SEC 22 LOC 1	Frontier 2	Oil	PB-UD										1/1/2069
F2_SEC 22 LOC 2	Frontier 2	Oil	PV-UD	4,568	854	3,715				4,268	301	1/1/2026	
F2_SEC 22 LOC 2	Frontier 2	Oil	PB-UD										
F2_SEC 26 LOC 1	Frontier 2	Oil	PV-UD	4,561	852	3,709				4,261	301	1/1/2026	
F2_SEC 26 LOC 1	Frontier 2	Oil	PB-UD										1/1/2069
F2_SEC 26 LOC 2	Frontier 2	Oil	PV-UD	4,575	855	3,720				4,275	301	1/1/2026	
F2_SEC 26 LOC 2	Frontier 2	Oil	PB-UD										1/1/2069
F2_SEC 26 LOC 3	Frontier 2	Oil	PV-UD	4,505	841	3,664				4,205	301	1/1/2025	
F2_SEC 26 LOC 3	Frontier 2	Oil	PB-UD										1/1/2068
F2_SEC 27 LOC 1	Frontier 2	Oil	PV-UD	4,471	834	3,637				4,170	301	1/1/2025	

\* Capital costs are on a 100% Gross Lease basis.

## CANADIAN OVERSEAS PETROLEUM LIMITED

### ECONOMIC PARAMETERS - CAPITAL COSTS (M\$)\*

FRI SEP 2 13:23:49 2022

AS OF JULY 31, 2022

Well Information				Capital Category							Dates		
Case	Zone	Type	Status	Total	Tang	Intang	Drill	Cmpl	Wkvr	Oth	Abd	Inv	Abd
F2_SEC 27 LOC 1	Frontier 2	Oil	PB-UD										
F2_SEC 27 LOC 2	Frontier 2	Oil	PV-UD	4,485	837	3,648				4,184	301	1/1/2025	1/1/2063
F2_SEC 27 LOC 2	Frontier 2	Oil	PB-UD										
F2_SEC 27 LOC 3	Frontier 2	Oil	PV-UD	4,498	840	3,659				4,198	301	1/1/2025	
F2_SEC 27 LOC 3	Frontier 2	Oil	PB-UD										
DK SEC 15 LOC 1	Dakota	Oil	PB-UD	4,589	858	3,732				4,289	301	1/1/2026	1/1/2066
DK SEC 22 LOC 1	Dakota	Oil	PB-UD	4,596	859	3,737				4,296	301	1/1/2026	1/1/2066
DK SEC 22 LOC 2	Dakota	Oil	PB-UD	4,596	859	3,737				4,296	301	1/1/2026	
DK SEC 03 LOC 2	Dakota	Oil	PB-UD	4,639	868	3,771				4,339	301	1/1/2027	1/1/2068
DK SEC 04 LOC 1	Dakota	Oil	PB-UD	4,575	855	3,720				4,275	301	1/1/2026	1/1/2066
DK SEC 10 LOC 1	Dakota	Oil	PB-UD	4,582	856	3,726				4,282	301	1/1/2026	
DK SEC 03 LOC 1	Dakota	Oil	PB-UD	4,568	854	3,715				4,268	301	1/1/2026	1/1/2067
DK SEC 10 LOC 2	Dakota	Oil	PB-UD	4,646	869	3,777				4,346	301	1/1/2027	
DK SEC 04 LOC 2	Dakota	Oil	PB-UD	4,639	868	3,771				4,339	301	1/1/2027	1/1/2067
F2_SEC 10 LOC 3	Frontier 2	Oil	PB-UD	4,682	876	3,806				4,382	301	1/1/2027	
F2_SEC 15 LOC 2	Frontier 2	Oil	PB-UD	4,837	907	3,930				4,536	301	1/1/2029	
F2_SEC 15 LOC 3	Frontier 2	Oil	PB-UD	4,852	910	3,942				4,551	301	1/1/2029	1/1/2071
F2_SEC 10 LOC 1	Frontier 2	Oil	PB-UD	4,690	878	3,812				4,389	301	1/1/2027	
F2_SEC 15 LOC 1	Frontier 2	Oil	PB-UD	4,829	906	3,924				4,529	301	1/1/2029	
F2_SEC 21 LOC 3	Frontier 2	Oil	PB-UD	4,654	871	3,783				4,353	301	1/1/2027	1/1/2070
F2_SEC 20 LOC 1	Frontier 2	Oil	PB-UD	4,675	875	3,800				4,375	301	1/1/2027	
F2_SEC 21 LOC 2	Frontier 2	Oil	PB-UD	4,582	856	3,726				4,282	301	1/1/2026	
F2_SEC 16 LOC 3	Frontier 2	Oil	PB-UD	4,697	879	3,818				4,396	301	1/1/2027	
F2_SEC 17 LOC 1	Frontier 2	Oil	PB-UD	4,661	872	3,789				4,360	301	1/1/2027	
F2_SEC 08 LOC 1	Frontier 2	Oil	PB-UD	4,770	894	3,876				4,470	301	1/1/2028	1/1/2071
F2_SEC 09 LOC 1	Frontier 2	Oil	PB-UD	4,682	876	3,806				4,382	301	1/1/2027	
F2_SEC 10 LOC 2	Frontier 2	Oil	PB-UD	4,675	875	3,800				4,375	301	1/1/2027	
F2_SEC 28 LOC 1	Frontier 2	Oil	PB-UD	4,770	894	3,876				4,470	301	1/1/2028	
F2_SEC 08 LOC 2	Frontier 2	Oil	PB-UD	4,785	897	3,888				4,484	301	1/1/2028	
F2_SEC 09 LOC 2	Frontier 2	Oil	PB-UD	4,829	906	3,924				4,529	301	1/1/2029	
Total PV				233,116	34,206	198,910				202,511	30,606		
Total PB				156,057	31,407	124,650				144,972	11,086		
Total PV+PB				389,174	65,613	323,560				347,482	41,691		

\* Capital costs are on a 100% Gross Lease basis.

# **RESERVE DISCUSSION**

## **BFU DAKOTA, WYOMING**

### **INTRODUCTION**

The BFU Dakota property is located primarily in Township 35, Range 76 in Converse County, approximately 24 km northeast of Casper, Wyoming. As of July 31, 2022, the property is operated by Atomic Oil and Gas Ltd. (Atomic), a fully-owned subsidiary of Canadian Overseas Petroleum Ltd. (COPL). COPL has a 100% working interest in the 14-30VF well. This property has historically been tested for and/or produced oil from the following formations: Dakota, Frontier 2, Lakota, Muddy, and Niobrara. The oil pool currently producing is the Dakota. The Dakota pool is an under-saturated oil reservoir that produces light oil with an API gravity of 37°. The principal recovery mechanisms are reservoir rock compaction followed by solution gas drive.

### **GEOLOGY**

#### **Dakota Formation**

The Dakota formation sands were deposited as part of a low stand systems tract during periods of sea level lows. During these sea level lows, the shelf was exposed allowing fluvial systems to incise into deep water shales. The Dakota reservoir at South Cole Creek is a combination Structural/stratigraphic trap. The reservoir is described as a nearshore sandstone facies cut by a channel facies to the south.

These sands are brown to light grey and very fine to fine – grained and slightly argillaceous. Average log porosities are 13.5 % and average permeability is approximately 40 mD.

### **RESERVE METHODOLOGY**

The new area property currently has 1 vertical producing oil well. Reserves from this existing well were forecast by decline analysis using historical monthly data and volumetric analysis. No gas and NGL reserves were assigned to the well in this area.

### **ECONOMIC SUMMARY**

A summary of the economic parameters used in this evaluation is included in the Economic Parameters tables, in the Tables section of this report.

Working interest and royalty information were provided by the COPL.

Operating costs were estimated from the client's LOE statements from 14-30VF well inception through June 2022. We also considered the 12 month cost history for the Cole Creek area to assist in the prediction of 14-30VF well costs. All costs were escalated using the inflation forecast provided in the "Definitions and Pricing Assumptions" tab. Operating costs are summarized in the Economic Parameters – Operating Costs Table.



## **RESERVE DISCUSSION**

### **BFU DAKOTA, WYOMING**

The benchmark price for oil was West Texas Intermediate. Oil price differentials were estimated from the LOE statements and are recorded in the Economic Parameters – Price Adjustments table.

The cost estimate for well abandonment and reclamation net of salvage was provided by the client, and considered to be reasonable by Ryder Scott. This evaluation does not include income or potential income derived from equipment salvage.

The current condition of field gathering and processing facilities was not accounted for nor was there any field inspection carried out on well sites. This report does not address any environmental liabilities which may exist; furthermore, no field inspection was carried out by Ryder Scott personnel for this purpose.

# **RESERVE DISCUSSION**

## **BARRON FLATS UNIT, WYOMING**

### **INTRODUCTION**

The Barron Flats Unit (BFU) property is located primarily in Township 35, Range 76 in Converse County, approximately 40 km northeast of Casper, Wyoming. As of July 31, 2022, the property is operated by Atomic Oil and Gas Ltd. (Atomic), a fully-owned subsidiary of Canadian Overseas Petroleum Ltd. (COPL). This property encompasses the Shannon oil pool, from the Shannon formation of the Upper Cretaceous Group. The pool is an under-saturated oil reservoir containing light oil with an API gravity of 38.7°. Enhanced oil recovery by miscible gas flooding has commenced over the majority of the pool area. COPL has plans to expand the EOR project to the full Shannon mapped area.

The Working Interest Owners (WIO) prepared a BFU Miscible Gas Injection Feasibility Study in July 2019 (BFU MGI Feasibility Study) and, based on information / studies / analysis included in this study, applied to the Wyoming Oil and Gas Conservation Commission (WOGCC) for secondary recovery unitization and implementation of miscible gas flooding in July 2019. Approval of the Shannon Secondary Recovery and Unitization (SSRU) was received in September 2019. Gas injection had been occurring prior to the approval as a pilot project on the William Valentine well (since June 2019), and has continued since that time. As of June 2022, this project had been scaled up to include a total of eight operational injection wells and thirty-two operational producing wells. Three of the producing wells are considered to be producing under primary depletion on lands adjacent to the existing gas flood.

As the miscible gas flood is now in active operation with many wells showing production response to miscible gas flood injection, Ryder Scott has included proved and probable reserves and value associated with the project in this evaluation. Additional details regarding the gas flood project, including well production profiles and recoveries are discussed later under Reserve Methodology.

### **GEOLOGY**

The Shannon Sandstone Member of the Upper Cretaceous Cody Shale was deposited during early Campanian time. In general, it was deposited as a clean to argillaceous sand forming conspicuous northwest-southeast-trending linear sand ridges. The Shannon Sand and the overlying Sussex Sand Members represent distal ends of a transgressive-regressive wedge of a deltaic system to the north and northwest along the west margin of the Cretaceous seaway. They were deposited as offshore bars, encased in marine shales as evidenced by the classic upward coarsening grain size.

The Shannon Sandstone Member is found to have a porosity range from near zero in argillaceous and bioturbated silt and sandy layers to over 20 percent in clean, well-sorted, medium-grained sandstone. Permeability ranges from less than 1 mD to more than 100 mD. An 8% porosity cutoff was used to delineate the Shannon pool in the Barron Flats Unit. This was supported by the July 2019 BFU MGI Feasibility Study, which included a simulation study conducted by International Reservoir Technologies Inc. (IRT) as well as a large amount of lab data/analysis performed by Weatherford Labs.

## **RESERVE DISCUSSION BARRON FLATS UNIT, WYOMING**

### **RESERVE METHODOLOGY**

The Shannon net oil pay map was planimetered to provide a volumetric estimate of the original oil in place (OOIP) for the pool. The net oil pay maps for the pools are presented in the Maps Section and the volumetric calculations are presented in the Gross Lease Oil Reserves Data Sheet in the Tables Section of this report.

The BFU Shannon Miscible Gas Flood property was split into three areas:

1. BFU Gas Flood Field – the portion of the BFU property comprised of all wells that lie within the currently developed Gas Flood Area, as defined by Ryder Scott and closely aligned with the International Reservoir Technologies Inc. (IRT) simulation boundary. Wells within this boundary are either producers or injectors supporting the active gas flood project. A list of the producers and injectors is provided later in this discussion.
2. BFU Total Proved Boundary– this is the portion of the BFU property comprised of wells that are currently developed, plus the lands that are considered Proved Undeveloped acreage, which lie adjacent to the existing developed boundary.
3. BFU Total Proved Plus Probable Boundary– this is the portion of the BFU property comprised of wells that are currently developed, plus the lands that are considered either Proved Undeveloped or Probable Undeveloped acreage, which lie adjacent to the existing developed boundary.

The volumetric data (Gross Lease Oil Reserves Data) presented later in this report is shown as follows:

1. The currently developed BFU Shannon oil pool
2. The Total Proved Boundary of the BFU Shannon Pool
3. The Total Proved Plus Probable Boundary of the BFU Shannon Pool

The BFU property / Shannon pool, currently has 29 producing oil wells (28 vertical, 1 horizontal), producing from the miscible flood project, and 3 wells (2 vertical, 1 horizontal) producing under primary depletion from lands adjacent to the miscible flood. The reserves methodologies for the BFU Gas Flood Field and the adjacent area are discussed separately in the following sections.

### **BFU Gas Flood Field – Proved Reserves / Secondary Recovery (Enhanced Oil Recovery)**

As discussed previously, Ryder Scott has included proved and probable reserves and value associated with this miscible gas flood project in the evaluation. The currently developed miscible flood area is forecast to recover 22.6% (Proved Producing) and 26.3% (Proved Plus Probable Producing) respectively, of the OOIP for this area. Reserves were increased for future development forecast in the Proved Undeveloped and Probable Undeveloped reserve categories. For total proved reserves, a recovery factor of 19.3% of the Total Proved OOIP was ultimately calculated, and for total proved plus probable reserves a recovery factor of 24.7% of the Total Proved Plus Probable OOIP was assigned. These recovery factors take into account the larger OOIP figures and include edge effects and indications from reservoir simulation.

The decision to assign these reserves considered many factors, including:

- Strong early results from several of the wells surrounding injectors which are online and have made good progress on their respective pattern's cumulative voidage replacement ratio (VRR).

## **RESERVE DISCUSSION BARRON FLATS UNIT, WYOMING**

- Two strong analogues in nearby pools with similar fluid / reservoir characteristics – Sand Dunes and North Buck Draw. These analogues have a long history of miscible gas flooding (28+ years) and have recovered, or are projected to recover 60-65% of OOIP as a result of gas flood implementation. BFU SSRU meets the conceptual screening criteria for miscible gas flooding and it has been well established through operator analysis, IRT simulation studies, history matching, and pilot field work that it is an appropriate reservoir for this technology.
- The recovery factor in the IRT Simulation Study was approximately 55% of OOIP, as discussed in the following section.

During 2022, reservoir simulation work was updated by International Reservoir Technologies Inc. (IRT), a 3<sup>rd</sup> party with expertise in miscible gas flooding, the “IRT Simulation Study”. This work built on previous work they completed since 2018, and took into account the WOGCC approval of the BFU SSRU, as well as pressure and production data acquired during through mid-2022. The IRT Simulation Study assessed an approximate 55% recovery factor of OOIP within the Gas Flood Area, and provided individual well profiles for each of the 32 Producer wells within the area.

Ryder Scott updated our gas flood model to facilitate the calculation of proved and probable reserves and production profiles at an individual pattern and individual well level for all producer wells within the Gas Flood Area. For individual well profiles, this model also took into account multiple other factors, including:

- The stage of development of the well:
  - o if the offsetting injector(s) was not drilled or was drilled but not yet injecting, the well profile still reflects primary recovery;
  - o If the offsetting injector(s) was drilled and injecting, the well profile reflects secondary recovery in line with the expected recovery factor for that location.
- The well's performance / response to gas flood injection to date – numerous wells have shown early response to gas flood injection; therefore, individual well profiles were built to show continued production increases, followed by 1-3 years of stable production rate as the VRR's are optimized for their associated pattern. Individual well production rates were then forecast to decline in a hyperbolic fashion once the flood response has been fully realized. Wells were generally forecast at a hyperbolic exponent of 1.5 and a terminal exponential decline rate of 10 percent.
- Actual recent production trends of existing wells, whether their production rates were increasing or decreasing
- Actual projected on production date for new wells
- Injection rates were scheduled at an individual pattern level to reflect an optimized approach to monthly and cumulative VRR 's.
- Gas-Oil Ratio (GOR) forecasts reflect an optimized gas flood, therefore gas reserves were scheduled at the initial bubble point solution gas GOR for the Shannon pool (379 scf/bbl) for the remainder of the projected well life.

The below table lists all existing wells or future locations within the existing BFU gas flood operation, and their reserve category status as of July 31, 2022:

# RESERVE DISCUSSION BARRON FLATS UNIT, WYOMING

## List of BFU GAS FLOOD - Locations by Reserve Category

#	Well Name	Proved Producing and Proved Plus Probable Producing Status	Total Proved Status	Total Proved Plus Probable Status
1	BFU 14-23V	Producer	Producer	Producer
2	BFU 22-27V	Producer	Producer	Producer
3	BFU 22-29V	Producer	Producer	Producer
4	BFU 23-14V	Producer	Producer	Producer
5	BFU 23-27V	Producer	Producer	Producer
6	BFU 23-28V	Producer	Producer	Producer
7	BFU 32-27V	Producer	Producer	Producer
8	BFU 34-14V	Producer	Producer	Producer
9	BFU 34-20V	Producer	Producer	Producer
10	BFU 41-30V	Producer	Producer	Producer
11	BFU 42-28V	Producer	Producer	Producer
12	BFU 44-19V	Producer	Producer	Producer
13	BFU 44-21V	Producer	Producer	Producer
14	BFU 44-22V	Producer	Producer	Producer
15	BFU FED 11-22V	Producer	Producer	Producer
16	BFU FED 11-28V	Producer	Producer	Producer
17	BFU FED 12-20V	Producer	Producer	Producer
18	BFU FED 32-21V	Producer	Producer	Producer
19	BFU FED 32-23V	Producer	Producer	Producer
20	BFU FED 33-23V	Producer	Producer	Producer
21	BFU FED 34-15V	Producer	Producer	Producer
22	BFU FED 41-22V	Producer	Producer	Producer
23	BFU FEDERAL 41-34H	Producer	Producer	Producer
24	FED 12-26V	Producer	Producer	Producer
25	BFU FED 41-20V	Producer	Producer	Producer
26	BFU 42-29V	Producer	Producer	Producer
27	BFU FED 21-21V	Producer	Producer	Producer
28	BFU 21-34V	Producer	Producer	Producer
29	BFU 42-19V	Producer	Producer	Producer
30	BFU 21-35 HZ	Producer (Primary)	Producer	Producer
31	BFU 44-17	Producer (Primary)	Producer	Producer

## RESERVE DISCUSSION BARRON FLATS UNIT, WYOMING

#	Well Name	Proved Producing and Proved Plus Probable Producing Status	Total Proved Status	Total Proved Plus Probable Status
32	BFU 14-17	Producer (Primary)	Injector	Injector
33	BFU 13-21V	Injector	Injector	Injector
34	BFU 14-22V	Injector	Injector	Injector
35	BFU 22-23V	Injector	Injector	Injector
36	WILLIAM VALENTINE 1	Injector	Injector	Injector
37	BFU 24-20V	Injector	Injector	Injector
38	BFU FED 24-15V	Injector	Injector	Injector
39	BFU 43-28V	Injector	Injector	Injector
40	BFU FED 11-26V	Injector	Injector	Injector

Gas and natural gas liquids (NGL's) produced from all the wells in the field were treated as re-injectable products until 2050. Starting in January 2050, these reservoir products were considered to be sold, hence were valued as reserves. Additional gas and NGL's required for miscible gas / solvent injection purposes was deemed to be purchased, hence was treated as a capital cost (cost of injection gas and natural gas liquids supply). These purchased products were also forecast as a blowdown income stream starting in January 2050, however these products are not recognized as reserves.

Produced gas volumes that are re-injected are not assessed a royalty as these volumes were being used in field operations for enhanced oil recovery. Royalties for these products were assessed starting in the year 2050.

### BFU Field – Outside of BFU Gas Flood Area: Proved Reserves / Primary Recovery

This portion of the BFU Shannon pool was expected to continue producing under primary depletion in the Proved Producing and Proved Producing Plus Probable Producing categories, as it is not part of the current gas flood footprint. Proved reserves were assigned for 3 producing wells based on decline analysis using historical monthly data. Where production data was insufficient for decline analysis, the IRT BFU simulation was used as a guideline, with appropriate risking of these well forecasts to allocate to the proved and proved plus probable categories. In the Total Proved and Total Proved Plus Probable reserve cases, two wells (21-35 HZ and 44-19) were forecast as gasflood producers, while the 14-17 was scheduled for conversion to injection in 2023.

The GOR profile was developed based on reasonable expected recoveries of solution gas. It was forecast that the GOR's would return to the solution gas GOR of 379 SCF/STB as offsetting injection and future development of injectors reached the current primary depletion area. Based on a surface loss estimate of 5% provided by the client, and an 11% process loss due to liquid recoveries, sales gas volumes were calculated at 84% of raw gas volumes.

## **RESERVE DISCUSSION BARRON FLATS UNIT, WYOMING**

Liquid yields were estimated at 100 bbl/mmcft sales gas based on gas analyses provided by the client, as well as expected yields information provided by the client. The liquids were characterized as C3+ for reporting purposes, however contain a high percentage (~45%) of C4+; this was factored in when developing the C3+ pricing described later in this discussion.

Produced gas and NGL volumes from all wells from this BFU Field were forecast to be sold for gas supply for the BFU Gas Flood, hence were valued as reserves. As these volumes were being used for field operations and enhanced oil recovery, royalties were not assessed on these volumes.

### **FUTURE DEVELOPMENT**

The client has planned additional drilling of 19 wells within the Shannon pool starting in the third quarter of 2022. Based on the proposed development schedule provided by the client, and net pay mapping completed by Ryder Scott, a total of 23 new locations were included as proved undeveloped reserves (16 producers and 7 injectors), and 12 additional locations were assigned probable undeveloped reserves (9 producers and 3 injectors).

The following table reflects the reserve category, gas flood area, and timing of development for each entity. Ryder Scott has reviewed the drilling schedule from the client and scheduled future drilling in accordance with that schedule and our reserve categorization. Generally speaking, capital is forecast to be invested one month prior to the online date:

**RESERVE DISCUSSION  
BARRON FLATS UNIT, WYOMING**

<b>Drill Order</b>	<b>Well Name</b>	<b>Proved Undeveloped Entity Status</b>	<b>Proved Plus Probable Undeveloped Entity Status</b>	<b>Scheduled Online Date (Ryder Scott)</b>
1	BFU 22-30	Producer	Producer	Sep-23
2	WBF 42-25	NRA	NRA	-
3	BFU 43-25	NRA	Injector	Sep-23
4	BFU 41-33	Producer	Producer	Oct-23
5	BFU 44-16	Producer	Producer	Oct-23
6	BFU 24-19	Injector	Injector	Oct-23
7	BFU 11-15	Producer	Producer	Nov-23
8	BFU 24-29	Producer	Producer	Nov-23
9	BFU 34-30	Injector	Injector	Jan-24
10	WBF 41-36	NRA	Producer	May-24
11	BFU 21-32	NRA	Producer	May-24
12	BFU 32-33	NRA	Injector	Jul-24
13	BFU 41-32	NRA	Producer	Jul-24
14	BFU 42-15	Producer	Producer	Sep-24
15	BFU 33-29	Injector	Injector	Oct-24
16	BFU 22-35	Producer	Producer	Oct-24
17	BFU 34-10	NRA	Producer	Oct-24
18	BFU 21-31	NRA	Producer	Dec-24
19	BFU 31-31	NRA	Producer	Dec-24
20	BFU 24-30	Producer	Producer	Jun-25
21	BFU NW-33	Producer	Producer	Jun-25
22	BFU SW-34	Producer	Producer	Jun-25
23	BFU SW-35	Injector	Injector	Jul-25
24	BFU 44-26	Producer	Producer	Jul-25
25	BFU SW-25	Injector	Injector	Jul-25
26	BFU 41-26	Producer	Producer	Oct-25
27	BFU 12-25	Producer	Producer	Oct-25
28	BFU SW-24	Injector	Injector	Oct-25
29	BFU NW-24	Producer	Producer	Nov-25
30	BFU NW-14	Injector	Injector	Nov-25
31	BFU 41-16	Producer	Producer	Dec-25
32	BFU NE-17	Producer	Producer	Dec-25
33	BFU 31-35	NRA	Producer	Nov-25
34	BFU 31-36 HZ	NRA	Producer	May-26
35	BFU 42-10 HZ	NRA	Producer	Jun-26
36	BFU SW-10	NRA	Injector	Dec-25



## **RESERVE DISCUSSION BARRON FLATS UNIT, WYOMING**

The future development locations are categorized as follows for the Total Proved category:

- 2 wells (44-17, and 21-35 HZ) convert from primary depletion to gas flood producers.
- The 14-17 well is scheduled to be converted to a gas flood injector in 2023.
- 16 wells are projected to be drilled by end 2025 and be placed online as future gas flood producers.
- 5 wells are projected to be drilled by end 2025 and be placed online for one year and then be converted to gas flood injectors. An additional two wells are placed online immediately as gas flood injectors.
- 9 wells within the client's drilling schedule are assigned no proved undeveloped reserves

The future development locations for the Total Proved Plus Probable category are summarized as follows:

- 2 wells (44-17, and 21-35 HZ) convert from primary depletion to gas flood producers.
- The 14-17 well is scheduled to be converted to a gas flood injector in 2023.
- 25 wells are projected to be drilled by end 2026 and be placed online as future gas flood producers.
- 8 wells are projected to be drilled by end 2026 and be placed online for one year and then be converted to gas flood injectors. An additional two wells are placed online immediately as gas flood injectors.
- The BFU 42-25 well within the client's drilling schedule was assigned no proved or probable undeveloped reserves.

Based on the client's 2022 Capital Budget / schedule, detailed discussions with the working interest owners, as well as information / projections in the IRT Simulation Study, the following assumptions were used for the evaluation:

- The gas injection facility and the Tallgrass Pipeline are fully operational.
- The supply miscible gas / solvent for the Gas Flood is forecast at varying percentages of source gas and butane (C4), in accordance with the company's 2023-2024 Budget. The source gas will come from BFU fields via the BFU gas plant and from the Tallgrass gas supply pipeline.
- It is forecast that through the year 2025, the propane will be injected and will be sourced separately from the purchased gas. After this time period, the recycled gas from the field will be sufficiently rich that propane will no longer need to be added to the mixture.
- A compressor addition has been scheduled in the probable reserves category to accommodate the larger gas injection volumes associated with this category.

### **ECONOMIC SUMMARY**

A summary of the economic parameters used in this evaluation is included in the Economic Parameters tables, in the Tables section of this report.

Working interest and royalty information were provided by COPL.

## **RESERVE DISCUSSION**

### **BARRON FLATS UNIT, WYOMING**

Operating costs were estimated from the client's LOE statements for the 12 months preceding June 2022. All costs were escalated using the inflation forecast provided in the "Definitions and Pricing Assumptions" tab. Operating costs are summarized in the Economic Parameters – Operating Costs Table.

Capital cost estimates where applicable were provided by the client and reviewed for reasonableness by Ryder Scott. All capital costs were escalated using the inflation factor schedule. Capital cost inputs are tabulated in the Economic Parameters – Capital Costs Table. The values in that table are for 100 percent working interest.

The benchmark price for oil was West Texas Intermediate (WTI). An oil price differential of \$3.50/bbl was estimated from the LOE statements and are recorded in the Economic Parameters – Price Adjustments table.

Natural gas prices were based on the Colorado Interstate Gas pipeline / hub. Gas was assumed to have a heat content of 1,000 BTU/scf unless otherwise noted. Natural gas liquids (NGL) prices were estimated based on Ryder Scott benchmark butane prices for Mont Belvieu, and adjusted for regional pricing differentials.

Costs for incremental source gas and NGL's for injection were estimated based on operating statements and available contract information from the client.

The cost estimates for well abandonment and reclamation were provided by the client, and considered to be reasonable by Ryder Scott. This cost was applied to active Producers and Injectors as well as drilling locations after production reached its economic limit. This evaluation does not include income or potential income derived from equipment salvage.

The current condition of field gathering and processing facilities was not accounted for nor was there any field inspection carried out on well sites. This report does not address any environmental liabilities which may exist; furthermore, no field inspection was carried out by Ryder Scott personnel for this purpose.

# **RESERVE DISCUSSION**

## **COLE CREEK, WYOMING**

### **INTRODUCTION**

The Cole Creek property is located primarily in Township 35, Range 77 in Converse County, approximately 24 km northeast of Casper, Wyoming. As of July 31, 2022, the property is operated by Atomic Oil and Gas Ltd. (Atomic), a fully-owned subsidiary of Canadian Overseas Petroleum Ltd. (COPL). COPL has a 100% working interest in most of the wells. This property has historically been tested for and/or produced oil from the following formations: Dakota, Frontier 2, Lakota, Muddy, and Niobrara. The oil pools currently producing, and of interest for future development via horizontal drilling, are the Dakota and the Frontier 2. The Dakota pool is an under-saturated oil reservoir that produces light oil with an API gravity of 37°. The principal recovery mechanisms are reservoir rock compaction followed by solution gas drive. The Frontier 2 pool is an under-saturated oil reservoir that produces light oil with an API gravity of 36°. The principal recovery mechanisms are reservoir rock compaction followed by solution gas drive.

### **GEOLOGY**

#### **Dakota Formation**

The Dakota formation sands were deposited as part of a low stand systems tract during periods of sea level lows. During these sea level lows, the shelf was exposed allowing fluvial systems to incise into deep water shales. The Dakota reservoir at South Cole Creek is a combination Structural/stratigraphic trap. The reservoir is described as a nearshore sandstone facies cut by a channel facies to the south.

These sands are brown to light grey and very fine to fine – grained and slightly argillaceous. Average log porosities are 13.5 % and average permeability is approximately 40 mD.

#### **Frontier Formation**

The Frontier Formation was deposited in the Upper Cretaceous Period. It was deposited as an eastward-prograding clastic wedge into a foreland basin in response to the Sevier orogenic disturbance during Late Cretaceous Cenomanian to Turonian time. Lithology ranges from coarse grained non-marine fluvial strata incised into marine strata, proximal lithologies of the clastic wedge, to marine nearshore strata typical of more distal lithologies. The Frontier Formation overlies the Mowry Shale and underlies the Cody Shale.

In the South Cole Creek Unit, the Second Frontier is described as a gray, salt and pepper, very fine grained, silty and slightly glauconitic sandstone. Average log porosity is 15% and it is generally of low permeability.

### **RESERVE METHODOLOGY**

The Cole Creek property currently has 4 vertical producing oil wells and 1 horizontal producing oil wells. Reserves from these existing wells were forecast by decline analysis using historical monthly data.

## **RESERVE DISCUSSION COLE CREEK, WYOMING**

The client is planning near-term recompletions in the Frontier 2, and multiple drilling locations in the Dakota and the Frontier 2 formations. These development plans are discussed in more detail in the Future Development section of this discussion. For reserve assessment of proposed recompletions, and new drilling locations, type well profiles were developed:

- Within the Cole Creek property there is an existing approx. 1,600 ft horizontal oil well that has produced from the Dakota formation, and an existing approx. 1,000 ft horizontal oil well that producing from the Frontier 2 formation. Using historical production from these 2 wells, and factoring in new technology, as well as type well profiles from horizontal wells in nearby analogous reservoirs, a combined Dakota / Frontier 2 type well profile was developed for a 2 mile horizontal Dakota / Frontier 2 oil well. For the proposed 'shorter' (1 – 1.5 mile) horizontal development locations, an exponential length factor of 0.465 was established, and this factor was applied to calculate the 'shorter' type well profile parameters.
- 
- The below table summarizes the parameters for each of the above described type well profiles:

<b>Type Well Profile</b>	<b>IP30, bopd</b>	<b>Technical EUR, Mbbl</b>	<b>Technical EUR, Mboe</b>
Frontier 2 Vertical Oil Well	70	62	62
Dakota / Frontier 2 -- 1 mile Horizontal Oil Well	654	320	356
Dakota / Frontier 2 -- 2 mile Horizontal Oil Well	900	440	495

Based on historical data, as well as discussions with the client, the initial solution gas-oil-ratio GOR for the Dakota pool and for the Frontier 2 pool is 500 scf/bbl. This GOR was used for all new horizontal locations, was held constant over the projected well life, and was applied to the oil projections to calculate raw gas volumes. Based on a surface loss estimate of 5% provided by the client / Atomic, and an 11% process loss due to liquid recoveries, sales gas volumes were calculated at 84% of raw gas volumes.

Liquid yields were estimated at 125 bbl/mmcft based on gas analyses provided by the client, as well as expected yields information provided by the client and/or Atomic. The liquids were characterized as C3+ for reporting purposes, however contain a high percentage (~45%) of C4+; this was factored in when developing the C3+ pricing described later in this discussion.

### **FUTURE DEVELOPMENT**

Many analogous pools developed in the Dakota and/or Frontier 2 formations in the Powder River Basin of Wyoming have been optimized to date with horizontal drilling, resulting in significant production increases, and improved recovery factors. The client plans to drill multiple horizontal wells in each of the Dakota and Frontier 2 pools to increase productivity and recovery. Based on

## **RESERVE DISCUSSION**

### **COLE CREEK, WYOMING**

a proposed development locations map provided by the client, and net pay mapping completed by Ryder Scott, 39 new horizontal locations were included as reserves. Of these, 20 locations were assigned as Proved (9 in the Dakota and 11 in the Frontier 2), and 19 were assigned as Probable (7 in the Dakota and 12 in the Frontier 2). Reserve categorizations were based on COGEH guidelines, and took into consideration geological mapping, proximity to existing or historical production, as well as horizontal development analogues. A list of all these 39 development locations and their on-production timing is provided on the last page of this discussion.

In 2023, the client is planning four Frontier 2 up hole recompletions of existing wellbores. These are expected to come on production between September and November 2023.

Based on discussions with the client, the following additional assumptions were used for this evaluation:

- Future horizontal oil wells will be tied-in to the BFU gas plant via a gas pipeline expected to be in operation by August 2023. Gas processed from the plant will be used for the BFU Gas Flood Project, and liquids will be sold.

### **ECONOMIC SUMMARY**

A summary of the economic parameters used in this evaluation is included in the Economic Parameters tables, in the Tables section of this report.

Working interest and royalty information were provided by the COPL.

Operating costs were estimated from the client's LOE statements for the 12 month period from July 2021 through June 2022. All costs were escalated using the inflation forecast provided in the "Definitions and Pricing Assumptions" tab. Operating costs are summarized in the Economic Parameters – Operating Costs Table.

Capital cost estimates where applicable were provided by the client's and reviewed for reasonableness by Ryder Scott. All capital costs were escalated using the inflation factor schedule. Capital cost inputs are tabulated in the Economic Parameters – Capital Costs Table. The values in that table are for 100 percent working interest.

The benchmark price for oil was West Texas Intermediate, and for gas was the Colorado Interstate Gas pipeline / hub. The liquids (C3+) price was estimated at 44% of the benchmark oil price. An oil price differential of \$3.50/bbl was estimated from the LOE statements and is recorded in the Economic Parameters – Price Adjustments table. Gas was assumed to have a heat content of 1,000 BTU/scf unless otherwise noted.

The cost estimate for well abandonment and reclamation net of salvage was provided by the client, and considered to be reasonable by Ryder Scott. This evaluation does not include income or potential income derived from equipment salvage.

The current condition of field gathering and processing facilities was not accounted for nor was there any field inspection carried out on well sites. This report does not address any

## RESERVE DISCUSSION COLE CREEK, WYOMING

environmental liabilities which may exist; furthermore, no field inspection was carried out by Ryder Scott personnel for this purpose.

### List of Cole Creek Development Locations

#	Well Name	Pool	RSC MY2022 Reserve Category	On Production Date
1	DK Sec 17 Loc 1	Dakota	Proven Undeveloped	Mar-25
2	F2_Sec 27 Loc 1	Frontier 2	Proven Undeveloped	Mar-25
3	DK Sec 17 Loc 2	Dakota	Proven Undeveloped	Apr-25
4	F2_Sec 16 Loc 1	Frontier 2	Proven Undeveloped	Apr-25
5	DK Sec 09 Loc 1	Dakota	Proven Undeveloped	May-25
6	F2_Sec 27 Loc 2	Frontier 2	Proven Undeveloped	May-25
7	DK Sec 20 Loc 1	Dakota	Proven Undeveloped	Jun-25
8	F2_Sec 16 Loc 2	Frontier 2	Proven Undeveloped	Jun-25
9	DK Sec 16 Loc 2	Dakota	Proven Undeveloped	Jul-25
10	F2_Sec 27 Loc 3	Frontier 2	Proven Undeveloped	Jul-25
11	DK Sec 21 Loc 1	Dakota	Proven Undeveloped	Aug-25
12	F2_Sec 26 Loc 3	Frontier 2	Proven Undeveloped	Aug-25
13	DK Sec 16 Loc 1	Dakota	Proven Undeveloped	Sep-25
14	F2_Sec 21 Loc 1	Frontier 2	Proven Undeveloped	Sep-25
15	DK Sec 21 Loc 2	Dakota	Proven Undeveloped	Mar-26
16	DK Sec 25 Loc1	Dakota	Proven Undeveloped	Mar-26
17	F2_Sec 22 Loc 1	Frontier 2	Proven Undeveloped	Mar-26
18	F2_Sec 26 Loc 1	Frontier 2	Proven Undeveloped	Apr-26
19	F2_Sec 22 Loc 2	Frontier 2	Proven Undeveloped	May-26
20	DK Sec 03 Loc 1	Dakota	Probable Undeveloped	May-26
21	F2_Sec 26 Loc 2	Frontier 2	Proven Undeveloped	Jun-26
22	DK Sec 04 Loc 1	Dakota	Probable Undeveloped	Jun-26
23	DK Sec 10 Loc 1	Dakota	Probable Undeveloped	Jul-26
24	F2_Sec 28 Loc 1	Frontier 2	Probable Undeveloped	Jul-26
25	DK Sec 15 Loc 1	Dakota	Probable Undeveloped	Aug-26
26	F2_Sec 16 Loc 3	Frontier 2	Probable Undeveloped	Sep-26
27	DK Sec 03 Loc 2	Dakota	Probable Undeveloped	Mar-27
28	DK Sec 04 Loc 2	Dakota	Probable Undeveloped	Mar-27
29	F2_Sec 21 Loc 3	Frontier 2	Probable Undeveloped	Mar-27
30	DK Sec 10 Loc 2	Dakota	Probable Undeveloped	Apr-27
31	F2_Sec 17 Loc 1	Frontier 2	Probable Undeveloped	Apr-27
32	F2_Sec 21 Loc 2	Frontier 2	Probable Undeveloped	May-27
33	F2_Sec 20 Loc 1	Frontier 2	Probable Undeveloped	Jun-27
34	F2_Sec 10 Loc 1	Frontier 2	Probable Undeveloped	Aug-27

**RESERVE DISCUSSION  
COLE CREEK, WYOMING**

<b>#</b>	<b>Well Name</b>	<b>Pool</b>	<b>RSC MY2022 Reserve Category</b>	<b>On Production Date</b>
35	F2_Sec 10 Loc 2	Frontier 2	Probable Undeveloped	Aug-27
36	F2_Sec 10 Loc 3	Frontier 2	Probable Undeveloped	Sep-27
37	F2_Sec 15 Loc 1	Frontier 2	Probable Undeveloped	Mar-28
38	F2_Sec 15 Loc 2	Frontier 2	Probable Undeveloped	Apr-28
39	F2_Sec 15 Loc 3	Frontier 2	Probable Undeveloped	Jun-28

# Canadian Overseas Petroleum Limited

## Gross Lease Oil Reserves Data Sheet

### BFU Dakota

Effective July 31, 2022

Well Name		14-30VF	14-30VF
Formation		Dakota	Dakota
Pool		Dakota	Dakota
Category		Proved	PV + PB
Status		Producing	Producing
<b>Reservoir Parameters</b>			
Drainage Area	Acres	160.0	160.0
Net Oil Pay	Feet	10	10
Reservoir Volume	Acre Feet	1,600.0	1,600.0
Porosity	%	11.00%	11.00%
Water Saturation	%	40.00%	40.00%
Formation Volume Factor	RB/bbl	1.09000	1.09000
Unit Oil in Place	STB/AC Ft	470	470
<b>Reserve Estimation Method</b>		Vol Assignment	Vol Assignment
<b>Reserves</b>			
Initial Oil in Place	bbl	751,601	751,601
Recovery Factor	%	15.05%	18.73%
Initial Recoverable Oil	bbl	113,137	140,799
Cumulative Oil Production	bbl	2,299	2,299
Remaining Recoverable Oil	bbl	110,838	138,500
<b>Additional Parameters</b>			
Initial Solution Gas Oil Ratio scf/bbl			
Oil Density °API			
<b>Comments</b>			

The reserves presented herein may differ from the forecast due to economic limits being reached.

Page 1 of 1





# Canadian Overseas Petroleum Limited

## Gross Lease Oil Reserves Data Sheet

### BFU GAS FLOOD

Effective July 31, 2022

Well Name			<i>Total</i>		<i>Total</i>
Formation		Shannon	Shannon	Shannon	Shannon
Pool		BFU Gas Flood	BFU Gas Flood	BFU Gas Flood	BFU Gas Flood
Category		Proved	Proved	PV + PB	PV + PB
Status		Producing		Producing	
<b>Reservoir Parameters</b>					
Drainage Area	Acres	5,641.0	10,794.0	5,641.0	12,395.0
Net Oil Pay	Feet	21	17	21	16
Reservoir Volume	Acre Feet	116,578.0	186,083.0	116,578.0	200,029.0
Porosity	%	11.00%	11.00%	11.00%	11.00%
Water Saturation	%	30.00%	30.00%	30.00%	30.00%
Formation Volume Factor	RB/bbl	1.20000	1.20000	1.20000	1.20000
Unit Oil in Place	STB/AC Ft	498	498	498	498
<b>Reserve Estimation Method</b>		Vol/Performance	Vol/Performance	Vol/Performance	Vol/Performance
<b>Reserves</b>					
Initial Oil in Place	bbl	58,033,111	92,633,048	58,033,111	99,575,436
Recovery Factor	%	22.70%	19.29%	26.33%	24.68%
Initial Recoverable Oil	bbl	13,171,958	17,872,624	15,277,285	24,576,182
Cumulative Oil Production	bbl	2,269,092	2,269,092	2,269,092	2,269,092
Remaining Recoverable Oil	bbl	10,902,866	15,603,532	13,008,193	22,307,090
<b>Additional Parameters</b>					
Initial Solution Gas Oil Ratio scf/bbl		379	379	379	379
Oil Density °API		39	39	39	39
<b>Comments</b>					

The reserves presented herein may differ from the forecast due to economic limits being reached.

Page 1 of 1



# Canadian Overseas Petroleum Limited

## Gross Lease Oil Reserves Data Sheet

### Cole Creek

Effective July 31, 2022

Well Name					<i>Total</i>
Formation		Frontier 2	Frontier 2	Frontier 2	Frontier 2
Pool		Main Sandstone	Main Sandstone	Main Sandstone	Main Sandstone
Category		Proved	Proved	Proved	Proved
Status		Producing	Shut-In	Undeveloped	
<b>Reservoir Parameters</b>					
Drainage Area	Acres	21,170.0	21,170.0	21,170.0	21,170.0
Net Oil Pay	Feet	18	18	18	18
Reservoir Volume	Acre Feet	373,576.0	373,576.0	373,576.0	373,576.0
Porosity	%	15.00%	15.00%	15.00%	15.00%
Water Saturation	%	35.00%	35.00%	35.00%	35.00%
Formation Volume Factor	RB/bbl	1.30000	1.30000	1.30000	1.30000
Unit Oil in Place	STB/AC Ft	582	582	582	582
<b>Reserve Estimation Method</b>		Vol/Performance	Vol/Performance	Vol/Performance	Vol/Performance
<b>Reserves</b>					
Initial Oil in Place	bbl	217,365,196	217,365,196	217,365,196	217,365,196
Recovery Factor	%	0.46%	0.11%	1.52%	2.09%
Initial Recoverable Oil	bbl	993,849	247,868	3,300,000	4,541,717
Cumulative Oil Production	bbl	641,976	0	0	641,976
Remaining Recoverable Oil	bbl	351,873	247,868	3,300,000	3,899,741
<b>Additional Parameters</b>					
Initial Solution Gas Oil Ratio scf/bbl		500	500	500	500
Oil Density °API		36	36	36	36
<b>Comments</b>					
				9 Locations	Cum incl Suspended Wells

The reserves presented herein may differ from the forecast due to economic limits being reached.

Page 1 of 4



# Canadian Overseas Petroleum Limited

## Gross Lease Oil Reserves Data Sheet

### Cole Creek

Effective July 31, 2022

Well Name					<i>Total</i>
Formation		Main Sandstone	Main Sandstone	Main Sandstone	Main Sandstone
Pool		Frontier 2	Frontier 2	Frontier 2	Frontier 2
Category		PV + PB	PV + PB	PV + PB	PV + PB
Status		Producing	Shut-In	Undeveloped	
<b>Reservoir Parameters</b>					
Drainage Area	Acres	21,170.0	21,170.0	21,170.0	21,170.0
Net Oil Pay	Feet	18	18	18	18
Reservoir Volume	Acre Feet	373,576.0	373,576.0	373,576.0	373,576.0
Porosity	%	15.00%	15.00%	15.00%	15.00%
Water Saturation	%	35.00%	35.00%	35.00%	35.00%
Formation Volume Factor	RB/bbl	1.30000	1.30000	1.30000	1.30000
Unit Oil in Place	STB/AC Ft	582	582	582	582
<b>Reserve Estimation Method</b>		Vol/Performance	Vol/Performance	Vol/Performance	Vol/Performance
<b>Reserves</b>					
Initial Oil in Place	bbl	217,365,196	217,365,196	217,365,196	217,365,196
Recovery Factor	%	0.50%	0.13%	4.84%	5.46%
Initial Recoverable Oil	bbl	1,082,735	282,378	10,511,100	11,876,214
Cumulative Oil Production	bbl	641,976	0	0	641,976
Remaining Recoverable Oil	bbl	440,759	282,378	10,511,100	11,234,238
<b>Additional Parameters</b>					
Initial Solution Gas Oil Ratio scf/bbl		500	500	500	500
Oil Density °API		36	36	36	36
<b>Comments</b>					

9 Locations

Cum incl Suspended Wells

The reserves presented herein may differ from the forecast due to economic limits being reached.

Page 2 of 4



# Canadian Overseas Petroleum Limited

## Gross Lease Oil Reserves Data Sheet

### Cole Creek

Effective July 31, 2022

Well Name					<i>Total</i>
Formation		Dakota	Dakota	Dakota	Dakota
Pool		Dakota	Dakota	Dakota	Dakota
Category		Proved	Proved	Proved	Proved
Status		Producing	Suspended	Undeveloped	
<b>Reservoir Parameters</b>					
Drainage Area	Acres	12,538.0	12,538.0	12,538.0	12,538.0
Net Oil Pay	Feet	10	10	10	10
Reservoir Volume	Acre Feet	126,570.0	126,570.0	126,570.0	126,570.0
Porosity	%	13.50%	13.50%	13.50%	13.50%
Water Saturation	%	30.00%	30.00%	30.00%	30.00%
Formation Volume Factor	RB/bbl	1.30000	1.30000	1.30000	1.30000
Unit Oil in Place	STB/AC Ft	564	564	564	564
<b>Reserve Estimation Method</b>		Vol/Performance	Vol/Performance	Vol/Performance	Vol/Performance
<b>Reserves</b>					
Initial Oil in Place	bbl	71,378,762	71,378,762	71,378,762	71,378,762
Recovery Factor	%	2.08%		3.57%	5.65%
Initial Recoverable Oil	bbl	1,484,788	0	2,549,178	4,033,966
Cumulative Oil Production	bbl	1,280,610	0	0	1,280,610
Remaining Recoverable Oil	bbl	204,178	0	2,549,178	2,753,356
<b>Additional Parameters</b>					
Initial Solution Gas Oil Ratio scf/bbl		500	500	500	500
Oil Density °API		37	37	37	37
<b>Comments</b>					
		Company Lands excludes channel sand	Company Lands excludes channel sand	Company Lands excludes channel sand	Company Lands excludes channel sand

The reserves presented herein may differ from the forecast due to economic limits being reached.



# Canadian Overseas Petroleum Limited

## Gross Lease Oil Reserves Data Sheet

### Cole Creek

Effective July 31, 2022

Well Name					<i>Total</i>
Formation		Dakota	Dakota	Dakota	Dakota
Pool		Dakota	Dakota	Dakota	Dakota
Category		PV + PB	PV + PB	PV + PB	PV + PB
Status		Producing	Suspended	Undeveloped	
<b>Reservoir Parameters</b>					
Drainage Area	Acres	12,538.0	12,538.0	12,538.0	12,538.0
Net Oil Pay	Feet	10	10	10	10
Reservoir Volume	Acre Feet	126,570.0	126,570.0	126,570.0	126,570.0
Porosity	%	13.50%	13.50%	13.50%	13.50%
Water Saturation	%	30.00%	30.00%	30.00%	30.00%
Formation Volume Factor	RB/bbl	1.30000	1.30000	1.30000	1.30000
Unit Oil in Place	STB/AC Ft	564	564	564	564
<b>Reserve Estimation Method</b>		Vol/Performance	Vol/Performance	Vol/Performance	Vol/Performance
<b>Reserves</b>					
Initial Oil in Place	bbl	71,378,762	71,378,762	71,378,762	71,378,762
Recovery Factor	%	2.15%		8.50%	10.65%
Initial Recoverable Oil	bbl	1,535,085	0	6,068,268	7,603,610
Cumulative Oil Production	bbl	1,280,610	0	0	1,280,610
Remaining Recoverable Oil	bbl	254,475	0	6,068,268	6,323,000
<b>Additional Parameters</b>					
Initial Solution Gas Oil Ratio scf/bbl		500	500	500	500
Oil Density °API		37	37	37	37
<b>Comments</b>					
		Company Lands excludes channel sand	Company Lands excludes channel sand	Company Lands excludes channel sand	Company Lands excludes channel sand

The reserves presented herein may differ from the forecast due to economic limits being reached.

Page 4 of 4



## DETAILS OF THE NEW SHARES ADMISSION

## 1. THE PRIVATE PLACEMENTS

A11, 8.1

1.1 *Placings closed subsequent to 11 August 2021*

On 3 December 2021, further to the December 2021 Placing, the Company issued a total of **28,435,000** Common Shares at a price of £0.20 (\$0.26) per share for gross proceeds of £5.7 million (\$7.5 million). In connection with the December 2021 Placing, the Company issued **1,815,000** Common Shares as a payment of a broker's fee, representing commission of approximately 6% in respect of the December 2021 Placing. The Company also issued 1,815,000 Common Share purchase warrants to the broker as additional compensation. Each broker warrant entitles the holder thereof to purchase one Common Share of the Company at an exercise price of £0.24 (\$0.32) per Common Share on or before 3 December 2022.

On 22 April 2022, further to the April 2022 Placing, the Company completed a placement of **49,930,000** units of the Company at a price of £0.20 (\$0.26) per unit for gross proceeds of £10.0 million (\$12.8 million). Each unit is comprised of one Common Share and one half of one common share purchase warrant, each exercisable at £0.24 (\$0.31) per Common Share until 22 October 2022. The Company paid to the brokers a cash commission of 4.0% of the gross proceeds and granted 1,997,200 broker warrants, exercisable at £0.25 (\$0.32) per share until 22 April 2024.

On 26 July 2022, further to the July 2022 Placing, the Company completed the issue of 54,792,590 warrants and the issue of two series of Bonds with an aggregate principal amount of US\$25.2 million. Each warrant entitles the holder thereof to acquire one Common Share at a price of £0.1675, subject to certain adjustments, until the period ending 30 months from the date of issuance. The Bonds were convertible into Common Shares at an initial conversion price of US\$0.2001 (adjusted to US\$0.1582 as of 26 December 2022), subject to certain adjustments. The Company issued to the brokers as compensation 5,895,000 Common Shares and 5,895,000 broker warrants in aggregate, each broker warrant exercisable at £0.1675 per Common Share until 26 October 2022.

On 30 December 2022, the Company completed the issue to Anavio of 12,760,572 common share purchase warrants and the issue of the 2025 Bonds with an aggregate principal amount of US\$4 million. Each warrant entitles the holder thereof to acquire one Common Share at a price of £0.18, subject to certain adjustments, until the period ending 30 months from the date of issuance. The 2025 Bonds are convertible into Common Shares at a conversion price of US\$0.1582, subject to certain adjustments. As of the date of this Prospectus, 27,514,348 Common Shares have been issued following the conversion of certain Bonds. See Section 9 (*Bonds*) of Part XIII.9.

1.2 *Reason for and use of Proceeds*

A11, 3.4

The gross proceeds from the December 2021 Placing and the April 2022 Placing totalling approximately \$20.3 million (£15.7 million), the July 2022 Placing totalling approximately \$19.7 million (£16.4 million) and the Winter Bond Financing totalling approximately \$3.2 million have been used or are expected to be used in the following order of priority:

Use	Amount
Cuda Acquisition	\$19.3 million
Operating and capital expenditures of COPL America	\$15.2 million
Financing and share issuance costs	\$2.1 million
Group working capital requirements	\$5.6 million
<b>Total</b>	<b>\$43.2 million</b>

### 3. WARRANTS

#### *Warrant exercise subsequent to 11 August 2021*

On 23 August 2021, further to an exercise of Unit Warrants, the Company issued 2,175,000 Common Shares for proceeds of approximately \$761,250.

On 25 August 2021, further to an exercise of Unit Warrants, the Company issued 5,850,000 Common Shares for proceeds of approximately \$2,047,500.

### 4. BONDS

#### *Bond exercise subsequent to 11 August 2021*

Subsequent to 26 July 2022 and as of the date of this Prospectus, further to conversion of the Bonds and settlement into Common Shares, the Company issued 27,514,348 Common Shares.

### 5. ADMISSION

Applications will be made for admissions in total of 113,589,348 Common Shares issued in 2021 and 2022 further to above mentioned: the December 2021 Placing, the broker's fee portion paid in Common Shares in connection with the December 2021 Placing, the April 2022 Placing, the conversion of the Bonds and settlement into Common Shares and the broker's fee portion paid in Common Shares in connection with the July 2022 Placing.

When admitted to trading, the New Shares will be registered with ISIN CA13643D1078 and SEDOL number BKRWF4.

The New Shares will, immediately following the New Shares Admission, be freely transferable under the Articles.

LR 2.2.4 (1)  
LR 2.2.9 (1)  
A11, 4.8

In the event that all of the outstanding Warrants and Options are exercised and all of the issued Bonds are converted and settled into Common Shares, Existing Shareholders will as a result, suffer a maximum aggregate dilution of approximately 0.88 Common Shares for every one Common Share they currently own, which is equivalent to a dilution of approximately 47 per cent.

Immediately following the New Shares Admission, a minimum of 25% of the Company's outstanding Common Share capital will be held in public hands, within the meaning of Listing Rule 14.3.

LR 14.2.2

### 6. DEALING ARRANGEMENTS

Application will be made to the FCA for the New Shares to be admitted to the standard listing segment of the Official List and to the London Stock Exchange for such Common Shares to be admitted to trading on the London Stock Exchange's main market for listed securities.

A11, 5.1

Dealings in the Common Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 3 February 2023.

### 7. CREST

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and to be transferred otherwise than by a written instrument.

For further details regarding the arrangements for the electronic settlement and transfer of the Common Shares, please see Part XVII (*CREST, Depositary Interests and Deed Poll*).

### 8. SELLING RESTRICTIONS AND RESTRICTIONS ON TRANSFER

The distribution of this Prospectus in certain jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions, including those that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No action has been taken or will be taken in any jurisdiction that would permit a public offering or sale of the Common Shares, or possession or distribution of this Prospectus (or any other offering or publicity material relating to Common Shares), in any country or jurisdiction where action for that purpose is required or doing so may be restricted by law.

None of the Common Shares may be offered for subscription, sale or purchase or be delivered, and this Prospectus and any other offering material in relation to the Common Shares may not be circulated, in any jurisdiction where to do so would breach any securities laws or regulations of any such jurisdiction or give rise to an obligation to obtain any consent, approval or permission or to make any application, filing or registration.

Persons into whose possession this Prospectus comes should inform themselves about and observe any restrictions on the distribution of this Prospectus. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

## Part XVII

-

### CREST, DEPOSITARY INTERESTS AND DEED POLL

The Company has entered into depository arrangements to enable investors to settle and pay for interests in the Common Shares through CREST. CREST is a paperless settlement system operated by Euroclear allowing securities to be transferred from one person's CREST account to another without the need to use share certificates or written instruments of transfer. Securities issued by companies not incorporated in the UK, Ireland, Isle of Man or Channel Islands, such as the Company, cannot be held electronically (i.e. in uncertificated form) or transferred in CREST. However, depository interests representing underlying shares can allow securities to be dematerialised and settled electronically.

Pursuant to arrangements put in place by the Company, a depository holds the Common Shares and issued Depositary Interests representing the underlying Common Shares which will be held on trust for the holders of the Depositary Interests.

The Depository issues the Depositary Interests, which will be independent securities constituted under English law which may be held and transferred in dematerialised form through CREST.

The Depositary Interests have been created pursuant to and issued on the terms of a deed poll executed by the Depository on 12 March 2014 in favour of the holders of the Depositary Interests from time to time (the "**Deed Poll**"). Holders of Depositary Interests should note that they will have no rights in respect of the underlying Common Shares or the Depositary Interests representing them against Euroclear or its subsidiaries.

Common Shares are registered in the name of the Depository's nominated custodian (the "**Custodian**") and the Depository will issue Depositary Interests to participating members. Although the Company's register shows the Custodian as the legal holder of the Common Shares, the beneficial interest in the Common Shares will remain with the holder of the Depositary Interest, who has the benefit of all the rights attaching to the Common Shares as if the Depositary Interest holder were named on the certificated Common Share register itself.

Each Depositary Interest is treated as one Common Share for the purposes of determining, for example, eligibility for dividends (if any). The Depositary Interests have the same ISIN number as the underlying Common Shares and do not require a separate listing on the Official List. The Depositary Interests can then be traded and settlement is within CREST in the same way as any other CREST securities.

A holder of the Common Shares on the principal share register of the Company maintained in Canada (the "**Share Register**") (a "**Principal Register Holder**") is able to do the following to obtain a Depositary Interest for its Common Shares: (a) if held directly, send in its Common Share certificates to the Registrar; or (b) if held in a nominee account, provide instructions to its broker who will then obtain a withdrawal of the Common Shares from the system of CDS Clearing and Depository Services Inc. ("**CDS**"). In addition, the Principal Register Holder, either directly or through its broker, must complete a Depositary Interest issuance request form that may be obtained from the Registrar. The Registrar will then either cancel the Common Share certificate or the CDS position, as applicable. After these steps, a Depositary Interest can be created and is then issued to the CREST participant that the holder, or the holder's broker, requested on the Depositary Interest issuance request form.



If a Principal Register Holder wishes to cancel its Depositary Interest, it will either directly or through its broker instruct the applicable CREST participant to initiate a CREST withdrawal (where such withdrawal is sent to the Depositary) for the name that appears on the Share Register. The Depositary Interest will then be cancelled by the Depositary and the related Common Share will be credited to the account on the Share Register by the Registrar. The Registrar will either send the Principal Register Holder a new Common Share certificate if held directly, or if held in nominee form, by electronically updating the CDS position associated with the holder's broker.

The information included within this Part XVII relating to the obtaining and cancellation of Depositary Interests by a Principal Register Holder is intended to be a summary only and is not to be construed as legal, business or tax advice. Each investor should consult his or her own lawyer, financial adviser, broker or tax adviser for legal, financial or tax advice in relation to Depositary Interests.

## **1. TERMS OF THE DEED POLL**

Shareholders are referred to the Deed Poll available for inspection at the offices of McCarthy Tétrault, 18<sup>th</sup> Floor, 1 Angel Court, London EC2R 7HJ. In summary, the Deed Poll contains, inter alia, provisions to the following effect, which are binding on Depositary Interest holders:

- The Depositary will hold (itself or through the Custodian), as bare trustee, the underlying Common Shares and all and any rights and other securities, property and cash attributable to the underlying Common Shares pertaining to the Depositary Interests for the benefit of the holders of the relevant Depositary Interests as tenants in common. The Depositary will re-allocate securities or Depositary Interests distributions allocated to the Depositary or Custodian pro rata to the Common Shares held for the respective accounts of the holders of Depositary Interests but will not be required to account for fractional entitlements arising from such reallocation.
- Holders of Depositary Interests agree to give such warranties and certifications to the Depositary as the Depositary may reasonably require. In particular, holders of Depositary Interests warrant, inter alia, that the securities in the Company transferred or issued to the Depositary or Custodian on behalf of the Depositary for the account of the Depositary Interest holder are free and clear of all liens, charges, encumbrances or third party interests and that such transfers or issues are not in contravention of the Company's constitutional documents or any contractual obligation, or applicable law or regulation binding or affecting such holder, and holders of Depositary Interests agree to indemnify the Depositary against any liability incurred as a result of any breach of such warranty.
- The Depositary and any Custodian shall pass on to the Depositary Interest holders all rights and entitlements received in respect of the underlying Common Shares. Rights and entitlements to cash distributions, to information, to make choices and elections and to attend and vote at meetings shall, subject to the Deed Poll, be passed on in the form in which they are received together with amendments and additional documentation necessary to effect such passing-on. If arrangements are made which allow a holder to take up rights in the Company's securities requiring further payment, the holder must put the Depositary in cleared funds before the relevant payment date or other date notified by the Depositary if it wishes the Depositary to exercise such rights.
- The Depositary will be entitled to cancel Depositary Interests and treat the holders thereof as having requested a withdrawal of the underlying securities in certain circumstances, including where a Depositary Interest holder fails to furnish to the Depositary such certificates or representations and warranties as to matters of fact, including his identity, as the Depositary may deem necessary or appropriate.
- The Depositary warrants that it is an authorised person under the FSMA and is duly authorised to carry out custodian and other activities under the Deed Poll. It also undertakes to maintain that status and authorisation.
- The Deed Poll contains provisions excluding and limiting the Depositary's liability. For example, the Depositary shall not be liable to any Depositary Interest holder or any other person for liabilities in connection with the performance or non-performance of obligations under the Deed Poll or otherwise except as may result from its negligence or wilful default or fraud or that of any person for whom it is vicariously liable, provided that the Depositary shall not be liable for the negligence, wilful default or fraud of any Custodian or agent which is not a member of its group unless it has failed to exercise

reasonable care in the appointment and continued use and supervision of such Custodian or agent. Except in the case of personal injury or death, any liability incurred by the Depositary to a holder under the Deed Poll is limited to the lesser of:

- (a) the value of the Common Shares that would have been properly attributable to the Depositary Interests to which the liability relates; and
  - (b) that proportion of £5 million which corresponds to the portion which the amount the Depositary would otherwise be liable to pay to the holder bears to the aggregate of the amounts the Depositary would otherwise be liable to pay to all such holders in respect of the same act, omission, or event which gave rise to such liability or, if there are no such amounts, £5 million.
- The Depositary is entitled to charge holders of Depositary Interests fees and expenses for the provision of its services under the Deed Poll.
- Each holder of Depositary Interests is liable to indemnify the Depositary and any Custodian (and their agents, officers and employees), and hold each of them harmless from and against all liabilities arising from or incurred in connection with, or arising from any act related to, the Deed Poll so far as they relate to the property held for the account of that holder, other than those caused by or resulting from the wilful default, negligence or fraud of (i) the Depositary or (ii) the Custodian or any agent if such Custodian or agent is a member of the Depositary's group or if, not being a member of the same group, the Depositary shall have failed to exercise reasonable care in the appointment and continued use of such Custodian or agent.
- The Depositary is entitled to make deductions from the deposited property or any income or capital arising therefrom, or to sell such deposited property and make deductions from the sale proceeds thereof, in order to discharge the indemnification obligations of Depositary Interest holders.
- The Depositary may terminate the Deed Poll by giving not less than 30 days prior written notice. During such notice period, Depositary Interest holders may cancel their Depositary Interests and withdraw their deposited property and, if any Depositary Interests remain outstanding after termination, the Depositary shall, as soon as reasonably practicable, and amongst other things, (i) deliver the deposited property in respect of the Depositary Interests to the relevant Depositary Interest holder or, at the Depositary's discretion, (ii) sell all or part of such deposited property. It shall, as soon as reasonably practicable, deliver the net proceeds of any such sale, after deducting any sums due to the Depositary, together with any other cash held by it under the Deed Poll pro rata to the Depositary Interest holders in respect of their Depositary Interests.
- The Depositary may require from any holder or former or prospective holder (i) information as to the capacity in which Depositary Interests are owned or held by such holders and the identity of any other person with any interest of any kind in such Depositary Interests or the underlying Common Shares and the nature of such interests, (ii) evidence or declaration of nationality or residence of the legal or beneficial owner(s) of Depositary Interests and such information as is required to transfer the relevant Depositary Interests or Common Shares to the holder and (iii) such information as is necessary or desirable for the purposes of the Deed Poll or CREST system, and holders are bound to provide such information requested. The holders of Depositary Interests consent to the disclosure of such information by the Depositary or Custodian to the extent necessary or desirable to comply with their respective legal or regulatory obligations.
- Furthermore, to the extent that the Company's constitutional documents or applicable law may require, the disclosure to the Company of, or limitations in relation to, beneficial or other ownership of, or interests of any kind whatsoever in the Company's securities, the Depositary Interest holders are to comply with the Company's instructions with respect thereto, as may be forwarded to them from time to time. It should also be noted that holders of Depositary Interests may not have the opportunity to exercise all of the rights and entitlements available to holders of Common Shares, including, for example, the ability to vote on a show of hands. In relation to voting, it will be important for holders of Depositary Interests to give prompt instructions to the Depositary or its nominated Custodian, in accordance with any voting arrangements made available to them, to vote the underlying Common Shares on their behalf or, to the extent possible, to take advantage of any arrangements enabling holders of Depositary Interests to vote such Common Shares as a proxy of the Depositary or its nominated Custodian.

## 2. DEPOSITARY AGREEMENT

The Depositary Agreement was entered into between the Company and the Depositary on 12 March 2014 and contains the following provisions:

- Under the Depositary Agreement, the Company appoints the Depositary to constitute and issue from time to time, upon the terms of the Deed Poll, a series of Depositary Interests representing Common Shares and to provide certain other services (including depositary services, custody services and dividend services) in connection with such Depositary Interests.
- The Depositary agrees that it will comply with the terms of the Deed Poll and that it will perform its obligations with reasonable skill and care. The Depositary assumes certain specific obligations, including, for example, to arrange for the Depositary Interests to be admitted to CREST as participating securities and provide copies of, and access to, the register of Depositary Interests.
- The Company acknowledges that it shall be its responsibility and undertakes to advise the Depositary promptly of any securities laws or other applicable laws, rules or regulations of the Province of Alberta and of Canada which the Depositary must comply with in providing the services.
- The Company agrees to provide such information, data and documentation to the Depositary as is reasonably required by the Depositary for the purposes of performing its duties, responsibilities and obligations under the Depositary Agreement.
- The Depositary is to indemnify the Company and its officers and employees from and against any loss (excluding indirect, consequential or special loss) which any of them may incur in any way as a result of or in connection with the fraud, negligence or wilful default of the Depositary (or its officers, employees, agents or sub-contractors).
- Subject to earlier termination, the appointment of the Depositary shall continue for a fixed period of one year and thereafter until terminated in accordance with the terms of the Depositary Agreement. Should the Depositary Agreement be terminated for any reason, other than arising from the Depositary's fraud, negligence, wilful default or material breach of a term of the Depositary Agreement, the Company shall within 30 days of termination pay to the Depositary, the Depositary's reasonable costs and expenses of transferring the Depositary Interest register to its new registrar. Either party may terminate the Depositary Agreement by giving not less than 90 days' notice in writing. Either party may terminate the Depositary Agreement with immediate effect by notice in writing if the other party (i) shall be in persistent breach of any term or material breach of any material term (of the Depositary Agreement) and such breach is not remedied within 30 days of a request for such remedy, (ii) goes into insolvency or liquidation (not being a members' voluntary liquidation) or administration or a receiver is appointed over any part of its undertaking or assets, subject to certain provisos or (iii) shall cease to have the appropriate authorisations which permit it lawfully to perform its obligations under the Depositary Agreement.
- The Depositary will be entitled to employ agents for the purposes of carrying out certain matters of a specialist nature which the Depositary may consider appropriate.
- The Company is to pay to the Depositary an annual fee for the services. The Company shall pay a fixed fee for the deposit, cancellation and transfer of the Depositary Interests and the compilation of the initial Depositary Interests register. The Company shall in addition reimburse the Depositary within 30 days of the Depositary's invoice for all network charges, CREST charges, money transmission and banking charges and other out- of-pocket expenses incurred by it in connection with the provision of the services under the Depositary Agreement.
- The Company will indemnify the Depositary from and against all loss (excluding indirect, consequential or special loss) suffered by the Depositary as a result of or in connection with the performance of its obligations under the Depositary Agreement.
- The aggregate liability of the Depositary to the Company over any 12-month period under the Depositary Agreement will not exceed twice the amount of fees payable in any 12 month period in respect of a single claim or in the aggregate.



Part XVIII  
-  
TAXATION

**1. UK TAXATION**

*The following statements are intended only as a general guide to certain UK tax considerations relevant to prospective investors in the Common Shares. They do not purport to be a complete analysis of all potential UK tax consequences of acquiring, holding or disposing of Common Shares. They are based on current UK tax law and what is understood to be the current published practice (which may not be binding) of HMRC as at the date of this Prospectus, both of which are subject to change, possibly with retrospective effect. The following statements relate only to Shareholders who are resident (and, in the case of individuals, resident and domiciled) for tax purposes in (and only in) the UK (except insofar as express reference is made to the treatment of non-UK residents), who hold their Common Shares as an investment (other than under an individual savings account or self-invested personal pension) and who are the absolute beneficial owners of both the Common Shares and any dividends paid on them. The statements further assume that holders of Depositary Interests are the beneficial owners of the underlying shares. The tax position of certain categories of Shareholders who are subject to special rules, such as persons who acquire (or are deemed to acquire) their Common Shares in connection with their (or another person's) office or employment, traders, brokers, dealers in securities, insurance companies, banks, financial institutions, investment companies, tax-exempt organisations, persons connected with the Company or the Group, persons holding Common Shares as part of hedging or conversion transactions, Shareholders who are not domiciled or not resident in the UK, collective investment schemes, trusts and those who hold 5% or more of the Common Shares (or those with a "material interest" in the Company), is not considered. Nor do the following statements consider the tax position of any person holding investments in any HMRC-approved arrangements or schemes, including the enterprise investment scheme or venture capital scheme, able to claim any inheritance tax relief or holding Common Shares in connection with a trade, profession or vocation carried on in the UK (whether through a branch or agency or, in the case of a corporate Shareholder, a permanent establishment or otherwise).*

*The UK taxation summary below is written on the basis that the Company is and remains resident for tax purposes only in Canada and will therefore be subject to the Canadian tax regime and not (save as in respect of any UK source income) the UK tax regime. Dividends paid by the Company will, on this basis, be regarded as Canadian dividends rather than UK dividends.*

**Prospective investors who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the UK are strongly recommended to consult their own professional advisers. Applicable tax legislation may have an impact on the income received by prospective investors in relation to their investment in the Common Shares.**

A11, 4.11

**1.1 Taxation of dividends**

The following paragraphs apply equally to Shareholders and holders of the Depositary Interests.

*UK resident individuals*

With effect from 6 April 2016, an individual Shareholder who is resident for tax purposes in the UK and who receives a cash dividend from the Company will generally be subject to income tax on the dividend. An individual UK resident Shareholder will generally pay tax at a rate of zero percent (0%) on the first GBP 2,000 of dividends received by such UK resident Shareholder in the current tax year (6 April 2022 to 5 April 2023).

An individual UK resident Shareholder who is subject to income tax at the basic rate will be liable to tax on the dividend at the rate of 8.5%. An individual UK resident Shareholder who is subject to income tax at the higher rate (but not the additional rate) will be liable to income tax on the dividend at the rate of 33.75% to the extent that such sum, when treated as the top slice of that Shareholder's income, exceeds the threshold for higher rate income tax.

An individual UK resident Shareholder liable to income tax at the additional rate will be subject to income tax on the dividend at the rate of 39.35% to the extent that the Shareholder's income (including the dividend) exceeds the threshold for the additional rate.

Canadian withholding tax withheld from the payment of a dividend will generally be available as a credit (typically up to a cap of 15%) against the income tax payable by an individual shareholder in respect of the dividend.

## *Companies*

Shareholders within the charge to UK corporation tax which are “small companies” for the purposes of Chapter 2 of Part 9A of the Corporation Tax Act 2009 will not be subject to UK corporation tax on any dividend received from the Company provided certain conditions are met (including an anti-avoidance condition).

Other Shareholders within the charge to UK corporation tax will not be subject to UK corporation tax on dividends received from the Company so long as the dividends fall within an exempt class and certain conditions are met. For example, dividends paid on shares that are “ordinary shares” and are not “redeemable” (as those terms are used in Chapter 3 of Part 9A of the Corporation Tax Act 2009), and dividends paid to a person holding less than a 10% interest in the Company, should generally fall within an exempt class. However, the exemptions are not comprehensive and are subject to anti-avoidance rules.

If the conditions for exemption are not met or cease to be satisfied, or such a Shareholder elects for an otherwise exempt dividend to be taxable, the Shareholder will be subject to UK corporation tax on dividends received from the Company at the rate of corporation tax applicable to that Shareholder (currently 19% for companies paying the main rate of corporation tax for the tax year commencing 1 April 2022 and increasing to 25% commencing from 1 April 2023), subject to any applicable credit for Canadian tax.

### *Non-UK resident Shareholders*

An individual Shareholder (other than one carrying on a trade, profession or vocation in the UK) who is resident for tax purposes outside the UK will not have any UK tax to pay on dividends received from the Company. A company (that is not otherwise subject to UK tax, e.g. establishment) will not be required to pay UK tax on dividends received from the Company.

A Shareholder resident outside the UK may be subject to taxation on dividend income under their local law. A Shareholder who is resident outside the UK for tax purposes should consult his (or its) own tax advisers concerning his (or its) tax liabilities on dividends received from the Company.

### *Withholding taxes*

The Company is not required to withhold UK tax at source from dividend payments it makes to Shareholders.

## **1.2 Taxation of disposals**

### *General*

A disposal or deemed disposal of Common Shares by a Shareholder who is (at any time in the relevant UK tax year) resident in the UK for tax purposes may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of capital gains depending upon the Shareholder’s circumstances and subject to any available exemption or relief.

### *UK resident individual Shareholders*

For an individual Shareholder within the charge to UK capital gains tax, a disposal (or deemed disposal) of Common Shares may give rise to a chargeable gain or an allowable loss for the purposes of capital gains tax. The rate of capital gains tax is 10% for individuals who are subject to income tax at the basic rate and 20% for individuals who are subject to income tax at the higher or additional rates. An individual Shareholder is entitled to realise an exempt amount of gains (currently £12,300) in each tax year without being liable to tax.

### *UK resident corporate Shareholders*

For a corporate Shareholder within the charge to UK corporation tax, a disposal (or deemed disposal) of Common Shares may give rise to a chargeable gain or an allowable loss for the purposes of UK corporation tax. An indexation allowance on the cost of acquiring the Common Shares may be available to reduce the amount of the chargeable gain which would otherwise arise on the disposal. From 1 January 2018 indexation allowance was frozen and no indexation allowance is available after this date. Corporation tax is charged on chargeable gains at the rate applicable to the relevant company.

### *Non-UK resident Shareholders*

A Shareholder (individual or corporate) who is not resident in the UK for tax purposes is generally not subject to UK capital gains tax provided there are no direct or indirect disposals of UK property or land. He (or it) may, however, be subject to taxation under his (or its) local law. However, if such a Shareholder carries on a trade, profession or vocation in the UK through a branch or agency (or, in the case of a non-UK resident corporate Shareholder, a permanent establishment) to which the Common Shares are attributable, the Shareholder will be subject to the same rules that apply to UK resident Shareholders.

An individual Shareholder who acquires Common Shares whilst UK resident and who disposes of the Common Shares during a period of temporary non-residence may be liable, on his return to the UK, to capital gains tax in respect of any gain arising from the disposal (subject to any available exemption or relief).

#### **1.3 *Inheritance tax***

A gift of Common Shares by an individual Shareholder, or the death of an individual Shareholder, may give rise to a liability to UK inheritance tax depending upon the Shareholder's circumstances and subject to any available exemption or relief. A transfer of Common Shares at less than market value may be treated for inheritance tax purposes as a gift of the Common Shares. Special rules apply to close companies and to trustees of certain settlements who hold Common Shares, which rules may bring them within the charge to inheritance tax. The inheritance tax rules are complex and Shareholders should consult an appropriate professional adviser in any case where those rules may be relevant, particularly in (but not limited to) cases where Shareholders intend to make a gift of Common Shares, to transfer Common Shares at less than market value or to hold Common Shares through a company or trust arrangement.

#### **1.4 *Stamp Duty and Stamp Duty Reserve Tax***

The following comments do not relate to persons such as market makers, brokers, dealers, intermediaries, persons connected with depositary receipt arrangements or clearance services or persons who enter into sale and repurchase transactions in respect of the Common Shares or Depositary Interests, to whom special rules apply.

No UK stamp duty or SDRT should arise on the issue of Common Shares by the Company or on the issue of Depositary Interests by the Depositary.

The transfer on sale of the Common Shares could give rise to a liability to UK stamp duty at a rate of 0.5% (rounded up to the next multiple of £5) of the amount or value of the consideration given for the sale or where there is a transfer to a connected company, market value if that is higher. However, no UK stamp duty should be payable on the transfer of the Common Shares, provided that any instrument of transfer is not executed in the UK and does not relate to any property situate, or to any matter or thing done, or to be done, in the UK.

Provided that the Common Shares are not registered in any register kept in the UK by or on behalf of the Company and the Common Shares are not paired with shares issued by a body corporate incorporated in the UK, any agreement to transfer the Common Shares should not be subject to UK SDRT (which would otherwise be payable at 0.5% on any consideration in money or monies worth, except where there is a transfer to a connected company in which case it cannot be less than market value).

As CREST Depositary Interests operate without any written instrument of transfer or written agreement to transfer, no UK stamp duty should be payable on the transfer of such Depositary Interests.

On the basis that the Common Shares will be listed on the London Stock Exchange, central management and control of the Company is not exercised in the UK and the Common Shares are not registered in any register kept in the UK by or on behalf of the Company, an exemption should apply so that no SDRT will be payable in respect of any agreement to transfer the Depositary Interests.

## **2. CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS**

The following summary describes, as of the date hereof, the principal Canadian federal income tax considerations pursuant to the *Income Tax Act* (Canada) (the "**Tax Act**") and the regulations thereunder generally applicable to a purchaser who acquires Common Shares, for purposes of the Tax Act, and at all relevant times, (i) acquires and holds the Common Shares as capital property, and (ii) deals at arm's length and is not affiliated with the Company or the Agents (a "**Holder**"). Generally, the Common Shares will be considered to be capital property to a Holder thereof, provided that the Holder does not use them in the course of carrying on a business and such Holder has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is based upon the facts set out in this Prospectus, the current provisions of the Tax Act and the regulations promulgated thereunder in force as of the date hereof and the current published administrative positions and assessing practices of the CRA. This summary takes into account all specific proposals to amend the Tax Act and the regulations thereunder which have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Prospectus (“**Proposed Amendments**”) and assumes that the Proposed Amendments will be enacted as proposed. This summary does not take into account or anticipate any other changes in law, whether by way of judicial, legislative or governmental decision or action, nor does it take into account provincial, territorial or foreign income tax considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein. No assurances can be given that the Proposed Amendments will be enacted as proposed, or at all, or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

This summary is not applicable to a Holder: (i) that is a “financial institution” for purposes of the mark-to-market rules in the Tax Act; (ii) that is a “specified financial institution” as defined in the Tax Act; (iii) that makes or has made a “functional currency” reporting election under section 261 of the Tax Act; (iv) an interest in which is a “tax shelter investment” as defined in the Tax Act; (v) that is exempt from tax under Part I of the Tax Act; (vi) that has entered or will enter into, with respect to the Common Shares, a “derivative forward agreement”, a “synthetic equity agreement,” a “synthetic equity arrangement,” or a “specified synthetic equity arrangement”, as those terms are defined in the Tax Act; or (vii) a Holder who would receive dividends on the Common Shares under or as part of a “dividend rental arrangement” (as defined in the Tax Act, including the Proposed Amendments) of the Holder. Such holders should consult their own tax advisors with respect to the purchase of Common Shares. In addition, this summary does not address the deductibility of interest by a purchaser who has borrowed money to acquire Common Shares.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada, and is, or becomes, controlled by a non-resident corporation for the purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Such Holders should consult their tax advisors with respect to the consequences of acquiring Common Shares.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax consequences of purchasing Common Shares. Accordingly, this summary is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations with respect to the income tax consequences to any Holder are made. Consequently, Holders should consult their own tax advisors for advice with respect to the tax consequences to them, having regard to their particular circumstances.

## 2.1 *Residents of Canada*

The following section of this summary applies to a Holder who, for the purposes of the Tax Act, and at all relevant times is or is deemed to be resident in Canada (“**Resident Holders**”). Certain Resident Holders who might not be considered to hold their Common Shares as capital property may, in certain circumstances, be entitled to have them and any other “Canadian security” (as defined in the Tax Act) be treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Resident Holders contemplating such election should consult their own tax advisors for advice as to whether it is available and, if available, whether it is advisable in their particular circumstances.

### *Dividends on Shares*

Dividends received or deemed to be received on Common Shares by a Resident Holder who is an individual (other than certain trusts) will be included in computing the individual’s income and will generally be subject to the gross-up and dividend tax credit rules applicable under the Tax Act to taxable dividends received from taxable Canadian corporations. A dividend will be eligible for the enhanced gross up and dividend tax credit, provided that such dividend is designated by the Company as an “eligible dividend” (within the meaning of the Tax Act). There may be limitations on the ability of the Company to designate dividends as eligible dividends. Taxable dividends received by a Resident Holder who is an individual (and certain trusts) may give rise to alternative minimum tax under the Tax Act, depending on the individual’s circumstances. Resident Holders should consult their tax advisors to determine the impact, if any, of the alternative minimum tax.

Dividends received or deemed to be received on Common Shares by a Resident Holder that is a corporation will be included in computing the Company’s income and will generally be deductible in computing its taxable income, subject to all restrictions under the Tax Act. A Resident Holder that is a “private corporation” or a “subject corporation” (as such terms are defined in the Tax Act) may be liable to pay a refundable tax under Part IV of the Tax Act on the dividends received or deemed to be received on Common Shares to the extent that such dividends are deductible in computing its taxable income under Part I of the Tax Act.



### *Disposition of Shares*

A Resident Holder who disposes of or is deemed to have disposed of a Common Share (other than to the Company unless purchased by the Company in the open market in the manner in which shares are normally purchased by any member of the public in the open market) will generally realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition in respect of such Common Share exceed (or are exceeded by) the aggregate of the Holder's adjusted cost base thereof and any reasonable costs of disposition. The tax treatment of capital gains and capital losses is discussed in greater detail below under "Taxation of Capital Gains and Capital Losses".

### *Taxation of Capital Gains and Capital Losses*

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized by the Resident Holder in the year. A Resident Holder must deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized by the Resident Holder in a taxation year against taxable capital gains realized by the Resident Holder in such year, subject to and in accordance with rules contained in the Tax Act. Any allowable capital losses in excess of taxable capital gains for the year of disposition generally may be carried back up to three years or carried forward indefinitely and deducted from net taxable capital gains realized in such other years to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss on the disposition of Common Shares realized by a Resident Holder that is a corporation may, in certain circumstances, be reduced by the amount of dividends previously received or deemed to be received by such Resident Holder on the Common Shares (or shares for which the Common Shares have been substituted), to the extent and under the circumstances described in the Tax Act. Similar rules apply where a Resident Holder that is a corporation is a member of a partnership or a beneficiary of a trust that owns Common Shares, directly or indirectly, through a partnership or a trust.

Capital gains realized by a Resident Holder who is an individual (and certain trusts) may give rise to alternative minimum tax under the Tax Act. Resident Holders should consult their tax advisors with respect to determining the impact of the alternative minimum tax.

A Resident Holder that is a "Canadian controlled private corporation" (as defined in the Tax Act), may be liable to pay an additional refundable tax on certain investment income, which includes amounts in respect of taxable capital gains.

## **2.2 Non-Residents of Canada**

The following section of this summary is generally applicable to a Holder who for the purposes of the Tax Act, and at all relevant times, (i) is not and is not deemed to be resident in Canada, and (ii) does not use or hold the Common Shares in carrying on a business in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or an "authorized foreign bank" (as defined in the Tax Act). Such Non-Resident Holders should consult their own tax advisors.

### *Dividends on Common Shares*

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder by the Company are subject to Canadian withholding tax at the rate of 25% on the gross amount of the dividend unless such rate is reduced by the terms of an applicable tax treaty. For example, under the *Canada-U.K. Income Tax Convention* (the "**Treaty**") as amended, the rate of withholding tax on dividends paid or credited to a Non-Resident Holder who is resident in the U.K. for purposes of the Treaty (a "**U.K. Holder**") is generally limited to 15% of the gross amount of the dividend (or 5% in the case of a U.K. Holder that is a company beneficially owning at least 10% of the Company's voting shares). Non-Resident Holders should consult their own tax advisors regarding their particular circumstances.

### *Disposition of Common Shares*

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a capital gain realized on the disposition or deemed disposition of a Common Share, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Share constitutes "taxable Canadian property" to the Non-Resident Holder thereof for purposes of the Tax Act, and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty.

Provided the Common Shares are listed on a “designated stock exchange”, as defined in the Tax Act (which currently includes the CSE), at the time of disposition, the Common Shares generally will not constitute taxable Canadian property of a Non-Resident Holder at that time, unless at any time during the 60-month period immediately preceding the disposition the following two conditions are met concurrently: (i) the Non-Resident Holder, persons with whom the Non-Resident Holder did not deal at arm’s length, partnerships in which the Non-Resident Holder or a person with whom the Non-Resident Holder did not deal at arm’s length holds a membership interest (either directly or indirectly through one or more partnerships), or the Non-Resident Holder together with all such persons or partnerships, owned 25% or more of the issued shares of any class or series of shares of the Company; and (ii) more than 50% of the fair market value of the Common Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, Canadian resource properties (as defined in the Tax Act), timber resource properties (as defined in the Tax Act) or an option, an interest or right in such property, whether or not such property exists. Notwithstanding the foregoing, a Common Share may in certain circumstances be deemed to be taxable Canadian property to a Non-Resident Holder for purposes of the Tax Act.

A Non-Resident Holder’s capital gain (or capital loss) in respect of Common Shares that constitute or are deemed to constitute taxable Canadian property (and are not “treaty-protected property” as defined in the Tax Act) will generally be computed in the manner described above under the subheading “Residents of Canada – Disposition of Common Shares”.

Non-Resident Holders whose Common Shares are taxable Canadian property should consult their own tax advisors.

**ADDITIONAL INFORMATION****1. RESPONSIBILITY**

The Directors, whose names appear on page 28 of this Prospectus, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

A1, 1.1  
A1, 1.2  
A11, 1.1  
A11, 1.2  
A22, 1.1

**2. THE COMPANY AND THE GROUP****2.1 Incorporation**

- (a) The Company was incorporated under the CBCA on 8 July 2004 under the name “Aureus Ventures Inc.” The Company changed its name to “Velo Energy Inc.” on 5 July 2006, and to “Canadian Overseas Petroleum Limited” on 22 July 2010. The Company’s registered number is 420463-8 and LEI is 213800QPF6H95J4ZAH31.
- (b) The principal legislation under which the Company was formed and under which the Company operates is the CBCA. The Company is domiciled in Canada.
- (c) The Company’s head office is located at Suite 3200, 715 – 5<sup>th</sup> Avenue S.W., Calgary, Alberta, Canada T2P 2X6 and its registered office is located at Suite 400, 444 – 7<sup>th</sup> Avenue S.W., Calgary, Alberta, Canada T2P 0X8. Its telephone number is +1 (403) 262 5441.
- (d) The business address of each of the Directors and Senior Management is Suite 3200, 715 – 5<sup>th</sup> Avenue S.W., Calgary, Alberta, Canada T2P 2X6.
- (e) The business of the Company, and its principal activity, is to act as the ultimate holding company of the Group.

A1, 4.1  
A1, 4.2  
A1, 4.3  
A1, 4.4  
A11, 4.2

A1, 4.4

**2.2 Auditor**

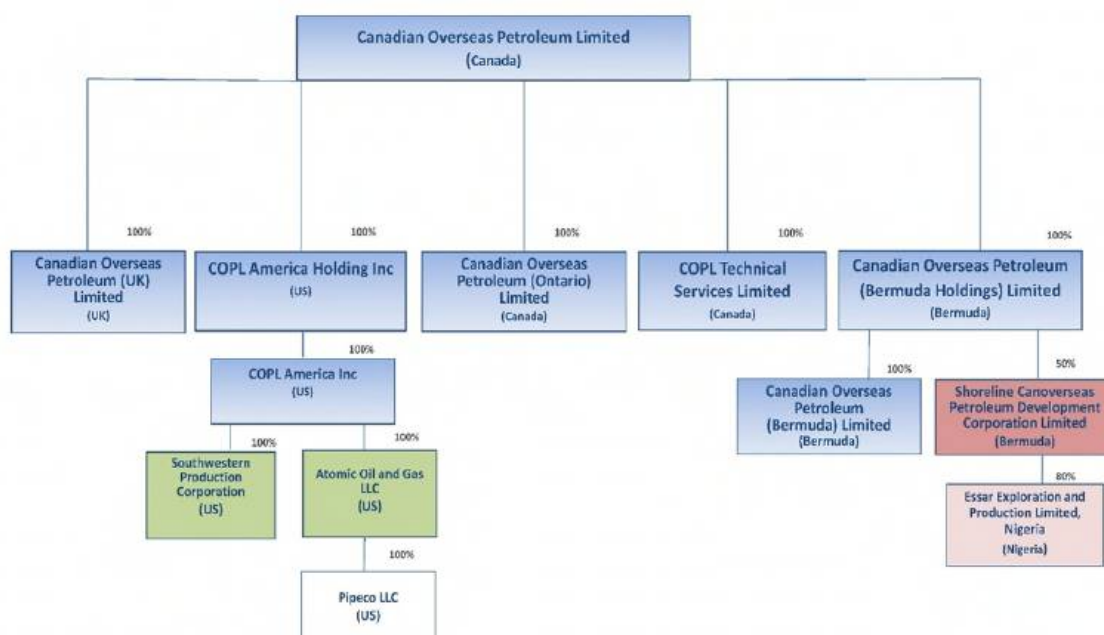
Ernst & Young LLP, whose address is Suite 2200, 250 – 2nd Street S.W., Calgary, Alberta Canada T2P 1M4, was appointed as the auditor of the Company for periods commencing 1 January 2018, and the Board was authorised to fix its remuneration. Ernst & Young LLP is licensed to carry out audit work by the Chartered Professional Accountants of Alberta.

A1, 2.1  
A1, 2.2

## 2.3 The Group and principal activities

A1, 5.1  
A1, 6.1  
A1, 6.2

The Company is the holding company of the Group. A chart setting out the intercorporate relationships within the Group (being comprised of the companies highlighted in blue) is set out below. For information, the Company's relationship with ShoreCan and Essar Nigeria (neither of which are members of the Group) is also set out below:



The following table sets out further details of the Company's significant subsidiaries and the percentage shareholdings held by the Company (directly or indirectly) in each of them following the Atomic Acquisition. For ease, details relating to ShoreCan and Essar Nigeria are also set out below (though neither of them is a member of the Group):

Name	Company Number	Place and date of incorporation	Percentage shareholding (direct or indirect)	Principal activity
COPL Technical Services Limited	2014713347	Alberta, Canada, 27 May 2009	100	Provision of geological, geophysical, engineering, accounting and administrative functions
Canadian Overseas Petroleum (UK) Limited	06916260	England and Wales, 27 May 2009	100	Geological and projects related functions
Canadian Overseas Petroleum (Bermuda Holdings) Limited	45375	Bermuda, 09 May 2011	100	Holding company
Canadian Overseas Petroleum (Bermuda) Limited	45376	Bermuda, 09 May 2011	100	Formed for operations offshore Liberia
Canadian Overseas Petroleum (Ontario) Limited	002611340	Ontario, Canada, 15 December 2017	100	Incorporated for the purpose of an anticipated operation in Canada, however an acquisition project was not successful
Shoreline Canoverseas Petroleum Development Corporation Limited	49613	Bermuda, 24 October 2014	50	Joint venture company formed with Shoreline for the purposes of acquiring upstream oil and gas exploration, development and producing assets in Africa

Name	Company Number	Place and date of incorporation	Percentage shareholding (direct or indirect)	Principal activity
Essar Exploration and Production Limited (Nigeria)	RC 692910	Nigeria, 25 May 2007	40	Nigerian company awarded OPL 226 in the 2007 bidding round with a signature bonus payment of USD 37 million. On 14 September 2016, COPL announced that ShoreCan had completed the purchase of 80% of the issued share capital of Essar Nigeria. On 4 August 2020, ShoreCan entered into a share purchase agreement with Essar Mauritius pursuant to which ShoreCan has agreed to transfer, on completion, 70% of its shareholding in Essar Nigeria to Essar Mauritius. Essar Nigeria's sole asset is the 100% interest in and operatorship of OPL 226 in Nigeria.
Atomic Oil & Gas LLC	20041400912	Colorado, United States	100	Oil and gas exploration company with working interests in producing assets in Wyoming, United States
Southwestern Production Corp.	19931006221	Colorado, United States	100	Oil and gas exploration company with producing assets in Wyoming, United States
Pipeco LLC	2018-000814045	Wyoming, United States	100	Midstream company holding pipeline and facility assets
COPL America Holding Inc.	5220196	Delaware, United States of America	100	Holding company.
COPL America Inc.	5220348	Delaware, United States of America	100	Holding company, with working interests in producing assets in Wyoming, United States.

### 3. SHARE CAPITAL

- 3.1 The authorised share capital of the Company consists of an unlimited number of Common Shares of no par value and an unlimited number of Preferred Shares issuable in a series. As of the date of this Prospectus, 277,858,812 Common Shares are issued and outstanding, each of which is fully paid, and no Preferred Shares were issued and outstanding. The 277,858,812 Common Shares have an aggregate market value of £43.8 million. As of the date of this Prospectus, there are 72,175,362 Warrants outstanding, 18,020,796 Options outstanding and \$23.8 million in principal amount of Bonds outstanding.
- 3.2 The legislation under which the Common Shares have been created is the CBCA. The Common Shares are denominated in Canadian dollars.
- 3.3 The Common Shares are in registered form and are capable of being held in certificated and uncertificated form. Depositary Interests representing the underlying Common Shares are admitted to CREST, and the Depositary Interests are capable of being traded in CREST. The records in respect of Depositary Interests held in uncertificated form are maintained by Euroclear and the Depositary.
- 3.4 Between 1 January 2019 and the date of this Prospectus, there have been the following changes to the outstanding Common Share capital of the Company:
- (a) on 5 June 2019 and 24 June 2019, COPL completed a placement of 4,970,000 Common Shares, at a price of £0.10 per Common Share to raise aggregate gross proceeds of £497,000. In connection with the placement, the Company also issued 49,700 broker warrants, exercisable at a price of £0.15 per Common Share and expiring on 5 June 2021;
  - (b) on 4 September 2019, the Company completed a placement of 5,000,000 new Common Shares to UK investors at a price per share of £0.10 per Common Share, to raise gross proceeds of £0.5 million. The Company paid a commission to Tennyson Securities of 6.0% of the gross proceeds from the placement and granted 50,000 broker Warrants, exercisable at a price of £0.15 per Common Share and expiring on 4 September 2021;
  - (c) on 2 July 2020, further to the June 2020 Prospectus, the Company completed a non-brokered and brokered placement of a total of 4,000,000 new Common Shares at a price of £0.3 per Common Share, to raise aggregate gross proceeds of approximately £1.2 million. In connection with the non-brokered placement, the Company granted, in aggregate, 250,000 common share purchase warrants to Shore Capital Stockbrokers Limited at an exercise price of 0.39 per Common Share, all of which expired unexercised on 2 July 2022;

A1, 19.1.1  
A1, 19.1.3  
A1, 19.1.4

A11, 4.2  
A11, 4.4

A11, 4.3

A1, 19.1.7

- (d) further, on 2 July 2020, the Company issued to YARF a total of 385,000 new Common Shares in lieu of payments of £115,500 at a deemed price of £0.3 per share, in respect of repayment of a portion of the first drawdown of the Credit Facility of £36,000 (120,000 new Common Shares) and interest on the Credit Facility of £79,500 (265,000 new Common Shares). In addition, the Company granted on 2 July 2020 as compensation to YARF a total of 1,000,000 YARF Warrants exercisable at a price of £0.39 per Common Share, all of which expired unexercised on 2 July 2022;
- (e) on 8 July 2020, further to an exercise of the 2019 Placing Broker Warrants, COPL issued 99,700 new Common Shares to Tennyson Securities at an exercise price of £0.15 per Common Share for proceeds of approximately £15,000;
- (f) on 15 July 2020, further to debt exchange arrangements stipulated in the June 2020 Prospectus, the Company issued to certain vendors and an employee a total of 2,525,122 new Common Shares in lieu of cash payments of approximately £0.76 million at a deemed price of £0.30 per share, in respect of outstanding balances due to these vendors and the employee;
- (g) further on 15 July 2020, the Company issued 160,000 new Common Shares to Ami Assets S.A. in lieu of a cash payment of a finder's fee of £48,000 at a deemed price of £0.30 per Common Share, in respect of the brokered placement that completed on 2 July 2020;
- (h) on 23 July 2020, the Company issued 4,333,333 new Common Shares to two institutional investors and two high net worth investors at a price of £0.30 per Common Share to raise aggregate gross proceeds of approximately £1.3 million;
- (i) on 24 July 2020, the Company granted by way of a finder's fee to Ami Assets S.A. (i) 160,000 share purchase warrants at an exercise price of £0.39 per share, all of which expired unexercised on 2 July 2022; and (ii) 325,000 share purchase warrants at an exercise price of £0.39 per share, expiring on 24 July 2021 in connection with the non-brokered placements that completed on 2 July 2020 and 23 July 2020, respectively;
- (j) on 4 August 2020, further to debt exchange arrangements stipulated in the June 2020 Prospectus, the Company issued to certain vendors and employees a total of 937,082 new Common Shares in lieu of cash payments of approximately £0.28 million at a deemed price of £0.30 per share, in respect of outstanding balances due to these vendors and employees;
- (k) on 17 August 2020, further to an exercise of broker warrants issued in 2018, the Company issued 537,313 new Common Shares at an exercise price of £0.335 for proceeds of approximately £0.18 million;
- (l) on 18 September 2020, further to debt exchange arrangements stipulated in the June 2020 Prospectus, the Company issued to certain employees a total of 600,573 new Common Shares in lieu of cash payments of approximately £0.18 million at a deemed price of £0.30 per share, in respect of outstanding balances due to these employees;
- (m) on 29 September 2020, further to debt exchange arrangements stipulated in the June 2020 Prospectus, the Company issued to certain non-UK creditors a total of 306,397 new Common Shares in lieu of cash payments of approximately £0.09 million at a deemed price of £0.30 per share, in respect of outstanding balances due to these creditors;
- (n) on 14 September 2020, the Company granted to its directors, officers and employees 3,416,089 stock options to acquire the Common Shares. The stock options were granted under the Stock Option Plan at an exercise price of £0.35 per Common Share. The stock options vest immediately and expire five years from the date of grant;
- (o) on 8 January 2021, the Company completed a placement of 44,425,000 units at a price of £0.20 per unit, each unit comprising of one Common Share and one half of one common share purchase warrant, each whole warrant exercisable into one Common Share at a price of £0.26, to UK investors pursuant to the Initial Atomic Placing, to raise gross proceeds of £9 million. The shares were issued between January and March 2021. The Company paid a commission to Shore Capital of 7.0% of the £500,000 proceeds from the Shore Placees, such commission being equal to £35,000, together with common share purchase warrants equal to 7.5% of proceeds from the Shore Placees exercisable for 12 months at a price of £0.26 per Common Shares;
- (p) on 9 March 2021, the Company issued 2,850,417 new Common Shares to Ami Assets S.A. in lieu of a cash payment of a finder's fee of £570,084 at a deemed price of £0.20 per Common Share, in addition to the 3,054,018 share purchase warrants, in respect of the Initial Atomic Placing that completed on

8 January 2021 together with common share purchase warrants equal to 7.5% of proceeds exercisable for 12 months at a 30% premium to the Initial Atomic Placing Price;

- (q) on 11 March 2021, the Company completed a placement of 41,715,625 Common Shares at a price of £0.32 per share for gross proceeds of £13.3 million. The Company issued 2,034,375 Common Shares to Tennyson Securities in lieu of a cash payment of a portion of broker's commission of £651,000 at a deemed price of £0.32 per Common Share and paid the second portion of commission of £189,000 in cash, representing in total approximately 6.3% of proceeds received. In addition, the Company issued 2,625,000 share purchase warrants as an additional compensation for the broker. Each broker warrant entitles the holder thereof to purchase one Common Share of the Company at an exercise price of £0.32 per Common Share on or before 8 March 2023;
- (r) on 16 March 2021, as the Common Share consideration component of the Atomic Acquisition, the Company issued 8,188,733 Common Shares to James W. Williams, Jr.;
- (s) on 23 March 2021, further to an exercise of warrants, the Company issued 250,000 Common Shares at an exercise price of £0.26 per share for proceeds of approximately £65,000;
- (t) on 31 March 2021, further to an exercise of warrants, the Company issued 625,000 new Common Shares at an exercise price of £0.26 per share for proceeds of approximately £162,500;
- (u) on 12 April 2021, pursuant to an exercise of warrants, the Company issued 25,000 Common Shares at an exercise price of £0.26 per share for proceeds of approximately £6,500;
- (v) on 30 June 2021, the Company issued 250,000 Common Shares as a payment for financial advisory services at a deemed price of CAD 1 per share in lieu of cash fees;
- (w) on 2 July 2021, pursuant to an exercise of warrants, the Company issued 5,250,000 Common Shares at an exercise price of £0.26 per share for proceeds of approximately £1.365 million;
- (x) on 23 July 2021, pursuant to an exercise of warrants, the Company issued 208,333 Common Shares at an exercise price of £0.39 per share for proceeds of approximately £0.081 million; and
- (y) on 29 July 2021, pursuant to an exercise of warrants, the Company issued 1,000,000 Common Shares at an exercise price of £0.26 per share for proceeds of approximately £0.26 million;
- (z) on 23 August 2021, pursuant to an exercise of warrants, the Company issued 2,175,000 Common Shares at an exercise price of £0.26 per share for proceeds of approximately £0.565 million;
- (aa) on 25 August 2021, pursuant to an exercise of warrants, the Company issued 5,850,000 Common Shares at an exercise price of £0.26 per share for proceeds of approximately £1.521 million;
- (bb) on 1 October 2021, the Company completed the Share Consolidation;
- (cc) on 3 December 2021, the Company completed a placement of 28,435,000 Common Shares at a price of £0.20 per share for gross proceeds of £5.7 million. The Company issued 1,815,000 Common Shares to Tennyson Securities as a payment of a broker's fee, representing commission of approximately 6% of the gross proceeds, and granted 1,815,000 broker warrants, exercisable at £0.24 per Common Share and expiring on 3 December 2022;
- (dd) on 22 April 2022, the Company completed a placement of 49,930,000 units of the Company at a price of £0.20 (\$0.26) per unit for gross proceeds of £10.0 million (\$12.8 million). Each unit is comprised of one Common Share and one half of one common share purchase warrant, each whole warrant is exercisable at £0.24 (\$0.31) per share until 22 October 2022. The Company paid to the brokers a cash commission of 4.0% of the gross proceeds and granted 1,997,200 broker warrants, exercisable at £0.25 (\$0.32) per share until 22 April 2024;
- (ee) on 4 August 2022, the Company issued 9,995,002 Common Shares pursuant to a conversion of \$2,000,000 principal of the Bonds and 5,895,000 Common Shares to its financial adviser and brokers in connection with the July 2022 Placing. The Company also issued 5,895,000 broker warrants in connection with the July 2022 Placing, with each broker warrant exercisable at £0.1675 per Common Share until 26 October 2022;
- (ff) on 12 August 2022, the Company issued 999,500 Common Shares pursuant to a conversion of \$200,000 principal of the Bonds;

- (gg) on 15 August 2022, the Company issued 999,500 Common Shares pursuant to a conversion of \$200,000 principal of the Bonds;
- (hh) on 24 August 2022, the Company issued 1,999,000 Common Shares pursuant to a conversion of \$400,000 principal of the Bonds;
- (ii) on 22 September 2022, the Company issued 1,999,000 Common Shares pursuant to a conversion of \$400,000 principal of the Bonds;
- (jj) on 21 October 2022, the Company issued 1,999,000 Common Shares pursuant to a conversion of \$400,000 principal of the Bonds;
- (kk) on 31 October 2022, the Company issued 5,997,000 Common Shares pursuant to a conversion of \$16,800,000 principal of the Bonds;
- (ll) on 4 November 2022, the Company issued 999,500 Common Shares pursuant to a conversion of \$200,000 principal of the Bonds; and
- (mm) on 6 January 2023, the Company issued 2,526,846 Common Shares pursuant to a conversion of \$400,000 principal of the Bonds.

3.5 On the New Shares Admission, the Company will have granted in aggregate 18,020,796 Options, each of which, upon payment of the subscription or exercise price thereof, will entitle the holder thereof to exercise such stock option for one Common Share. Further details of the Options outstanding are set out in Section 5.1(c) of this Part XIX.

A1, 19.1.4  
A1, 19.1.6

3.6 The following table sets out the Common Share capital of the Company in issue as at the date of this Prospectus and immediately following the New Shares Admission.

Issued and outstanding immediately following the New Shares Admission 277,858,812 Common Shares

3.7 Set out below are details regarding the Common Shares and all securities that are convertible into Common Shares issued by the Company in the 12 month period prior to the date of this Prospectus:

Type of security	Date of issuance / grant	Number	Issue price / exercise price per security	Expiration/maturity date
Common Shares				
	22 April 2022	49,930,000	\$0.26	n/a
	9 August 2022	5,895,000	\$0.2001	n/a
	4 August 2022 <sup>2</sup>	9,995,00 <sup>2</sup>	\$0.2001	n/a
	12 August 2022 <sup>2</sup>	999,500	\$0.2001	n/a
	15 August 2022 <sup>2</sup>	999,500	\$0.2001	n/a
	24 August 2022 <sup>2</sup>	1,999,000	\$0.2001	n/a
	22 September 2022 <sup>2</sup>	1,999,000	\$0.2001	n/a
	21 October 2022 <sup>2</sup>	1,999,000	\$0.2001	n/a
	31 October 2022 <sup>2</sup>	5,997,000	\$0.2001	n/a
	4 November 2022 <sup>2</sup>	999,500	\$0.2001	n/a
Warrants				
	22 April 2022	1,997,200	£0.25	22 April 2024
	26 July 2022	54,792,590	£0.165	26 January 2025
	26 July 2022	5,895,000	£0.165	24 October 2022
	30 December 2022	12,760,572	£0.18/£0.135	30 June 2025
Options	29 January 2022	15,430,000	CAD 0.54	29 January 2027
Bonds				
2024 Bonds	26 July 2022	In the principal amount of US\$12.6 million	US\$0.1582 <sup>1</sup>	26 July 2024



Type of security	Date of issuance / grant	Number	Issue price / exercise price per security	Expiration/maturity date
2025 Bonds	26 July 2022	In the principal amount of US\$12.6 million	US\$0.1582 <sup>1</sup>	26 July 2025
2025 Bonds	30 December 2022	In the principal amount of US\$4.0 million	US\$0.1582	26 July 2025

(1) Adjusted rate applicable since 26 December 2022; initial rate was US\$0.2001.

(2) Common Shares were issued pursuant to the conversion of Bonds.

- 3.8 The Common Shares are registered with ISIN CA13643D1078 and SEDOL number BKRVMF4.
- 3.9 The price of the Common Shares is quoted on the London Stock Exchange in pounds sterling.
- 3.10 The aggregate market capitalisation of the Common Shares is at least £43.8 million (based on the price of Common Share of £15.75 on 30 January 2023, being the last trading date of the Company prior to the publication of this Prospectus).

LR 2.2.7(1)

#### 4. ARTICLES AND BYLAWS

A1, 19.2.1

The Company's Articles do not restrict the objects and purposes of the Company.

##### 4.1 *Board of Directors*

###### *Composition*

The Articles provide that the Company will have not less than three and not more than ten directors which number will be determined from time to time by resolution of the directors. The Board presently consists of six Directors. In accordance with the CBCA, at least one-quarter of the directors must be residents of Canada and NI 58-101 requires that a majority of the directors be independent (defined in NI 58-101 as not having a direct or indirect material relationship with the Company which could in the view of the Board, reasonably interfere with the exercise of that director's independent judgement).

The bylaws of the Company provide that Shareholders should receive advance notice of nominations of directors ("Advance Notice") in circumstances where nominations for election to the Board are made by Shareholders other than: (i) pursuant to a requisition of a meeting made pursuant to the provisions of the CBCA or (ii) a shareholder proposal made pursuant to the provisions of the CBCA. The Advance Notice provision sets out a clear process for Shareholders to follow to nominate directors and sets out a reasonable time frame for nominee submissions along with a requirement for accompanying information.

The CBCA and the Articles provide that the directors may, between annual meetings of the Shareholders of the Company, appoint one or more additional directors to hold office for a term expiring not later than the close of the next annual meeting of the Shareholders, but the number of additional directors may not exceed one-third of the number of directors elected at the previous annual meeting of the Shareholders, provided that the total number of directors will not exceed the maximum number of directors fixed pursuant to the Articles.

###### *Powers and Responsibilities*

LR 2.2.2 (3)

The Board operates by delegating certain matters to management and reserving certain powers to itself. It retains the responsibility of managing its own affairs including selecting its chairman, nominating candidates for election to the Board, constituting committees and determining director compensation. Subject to the Articles, the bylaws and all other applicable laws, the Board may delegate powers duties and responsibilities to committees.

The Board also has the following statutory responsibilities pursuant to the provisions of the CBCA: (i) manage the business and affairs of the Company; (ii) act honestly and in good faith with a view to the best interests of the Company; (iii) exercise the care, diligence and skill that responsible, prudent people would exercise in comparable circumstances; and (iv) act in accordance with the obligations contained in the Company's Articles, bylaws and all relevant legislation and regulations.

The Board has also adopted a mandate (the “**Mandate**”) which includes provisions relating to: (i) adoption of a corporate strategic planning process; (ii) managing risks and protecting shareholder value; (iii) succession planning including appointing, developing and monitoring senior management; (iv) communications policy; (v) internal corporate controls and management information systems; (vi) corporate governance; and (vii) knowledge and understanding of the business and business conduct and integrity. The Board has also adopted a code of business conduct and ethics for the Company that is applicable to all directors, officers and employees.

In addition to the statutory responsibilities listed above, the Mandate lists the following responsibilities of the Board, which cannot be delegated by law: (i) any submission to the shareholders of a question or matter requiring the approval of the shareholders; (ii) filling of a vacancy on the Board or the appointment of additional directors or the auditor; (iii) issuance of securities; (iv) declaration of dividends; (v) purchase, redemption or any other loan or acquisition of securities issued by the Company; (vi) payment of a commission to any person who purchases, agrees to purchase, or facilitates the purchase by others of the Company’s securities; (vii) approval of management information circulars of the Company; (viii) approval of financial statements of the Company; and (ix) adoption, amendment or repeal of governing by-laws of the Company.

#### *Officers*

The Board is responsible for appointing the chief executive officer, monitoring and assessing his performance, determining his compensation and providing advice and counsel in the execution of his duties. More broadly, the Board has the responsibility to approve the appointment and remuneration of all officers and to satisfy itself that adequate provision has been made for the training and development of management and for orderly succession.

#### *Governance*

The Company is obligated to follow and the Board is responsible for ensuring compliance with the corporate governance provisions of NI 58-201 and NI 58-101. Through collaboration with the various committees of the Board, the Board is responsible for risk management, public disclosure and compliance monitoring.

#### *Calling and Notice of Meetings*

The bylaws of the Company provide that meetings of the Board will be held when and where the president and chief executive officer, the corporate secretary of the Company or any two directors may determine. Notice of a meeting must be given not less than 48 hours before the time of the proposed meeting unless such notice is waived.

#### *Quorum and Voting*

At any meeting of the Board, the quorum will be a majority of the directors then in office, present in person or by means of telephonic, electronic or other communication facility that permits all participants to communicate adequately during the meeting. Any question to be decided by the Board will be decided by majority of the votes cast on the question and in case of equality of votes, the chairman will not be entitled to a second or casting vote.

#### *Interests of Directors in Contracts*

No director will be disqualified by virtue of his office from contracting with the Company nor will any contract entered into by or on behalf of the Company with any director in which such director is in any way interested be liable to be voided nor will any director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such director holding that office or of the fiduciary relationship thereby established provided that, in each case, the director has complied with the provisions of the CBCA.

### *Liability of Directors*

The bylaws of the Company provide that, to the extent permitted by law, no director or officer of the Company will be liable for the acts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense arising on the Company through: (i) the insufficiency or deficiency of title to property acquired by the Company or security in or upon which any of the moneys of or belonging to the Company will be placed; (ii) bankruptcy, insolvency or tortious acts of any person, firm or body corporate with whom or which any moneys, securities or other assets belonging to the Company will be lodged or deposited; (iii) any dealings with any moneys, securities or other assets of the Company; or (iv) any other loss whatever which may happen in the execution of the duties of his or her office, unless caused by such director or officer's failure to act honestly and in good faith with a view to the best interests of the Company and in connection therewith to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

A director or officer will not be disentitled from receiving proper remuneration for services provided to the Company if such director or officer is employed by or performs those services for the Company otherwise than as a director or officer.

### *Indemnification*

The Company will indemnify a current or former director (or officer) or another individual who acts or acted at the Company's request as a director or in a similar capacity, of another entity and his or her heirs and legal representatives, and will advance moneys to a director, officer or other individual for the costs, charges and expenses of a proceeding to the extent permitted by the CBCA.

### *Banking Arrangements*

The banking business of the Company will be transacted with such banks or other financial institutions as the Board may designate, appoint or authorise and all such banking business will be transacted on behalf of the Company by one or more officers or other persons as the Board may designate, direct or authorise from time to time.

## **4.2 Share Capital**

The authorised share capital of the Company consists of an unlimited number of Common Shares and an unlimited number of Preferred Shares.

## **4.3 Rights, Preferences and Restrictions Attaching to Shares**

A11, 4.5

### *Common Shares*

Voting: In respect of the Common Shares, the holders are entitled to notice of and to vote at all meetings of Shareholders (except those at which only holders of a specific class or series of shares are entitled to vote) and are entitled to one vote per Common Share.

Dividends: Subject to the preferences accorded to holders of Preferred Shares and any other shares of the Company ranking senior to the Common Shares from time to time with respect to the payment of dividends, holders of Common Shares are entitled to receive, if, as and when declared by the Board, such dividends as may be declared thereon by the Board from time to time.

In accordance with the provisions of the CBCA, dividends cannot be paid if there are reasonable grounds for believing that the Company cannot meet either of the following tests: (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of the Company's assets would, after the payment, be less than the aggregate of its liabilities and stated capital.

Winding-Up: In the event of liquidation, dissolution or winding-up of the Company or any other distribution of assets among the Shareholders for the purpose of winding-up its affairs (a "**Distribution**"), holders of Common Shares, subject to the preferences accorded to holders of Preferred Shares and any other shares of the Company ranking senior to the Common Shares from time to time with respect to payment on a Distribution, are entitled to share equally, share for share, in the remaining property.

### *Preferred Shares*

In respect of the Preferred Shares, such shares are issuable in series and the Board may fix the number of such Preferred Shares in each series and the designation, rights, privileges, restrictions and conditions attached to each such series. As at the date of this Prospectus, there are no Preferred Shares issued and outstanding.

## *Warrants*

The Warrants entitle the holder thereof to purchase one Common Share, for an exercise price set out in the terms of the agreements governing such Warrants. The 72,175,362 Warrants currently outstanding are the warrants issued to brokers in respect of March 2021 Placing and April 2022 Placing and the warrants issued to Bondholders pursuant to the July 2022 Placing and the Winter Bond Financing. The Warrants have an average exercise price of £0.178 per Common Share and a remaining contractual life from 3 months to two and half year from the date of this Prospectus and are described further in Section 8 of this Part XIX.

### **4.4 *Alteration of Rights***

Pursuant to the CBCA, the Articles may be revised by a resolution or passed by a majority of not less than two thirds of the votes cast by the Shareholders voting, to change the designation of all or any of the Company's shares, and add, change or remove any rights, privileges, restrictions and conditions, including rights to accrued dividends, in respect of all or any of the Company's shares, whether issued or unissued.

Holders of shares of any class or series of any class are not entitled to vote separately as a class upon a proposal to amend the Articles: (i) to increase or decrease any maximum number of authorised shares of such class or any class ranking superior to that class or (ii) to create a new class of shares equal or superior to the shares of such class.

Notwithstanding the above, the approval of the holders of Preferred Shares will be required (if, as and when such Preferred Shares are issued) to add to, change or remove any right, privilege, restriction or condition attaching to the Preferred Shares as a class. Such approval shall be given by resolution passed by the affirmative vote of at least two-thirds of the votes cast at the meeting of the holders of Preferred Shares duly called for that purpose or by written resolution signed by all the holders of the Preferred Shares.

### **4.5 *Condition on Registration of Share Transfers***

Subject to the provisions of the CBCA, the bylaws of the Company provide that no transfer of a security issued by the Company will be registered unless and until the certificate representing the security to be transferred has been presented for registration or, if no certificate has been issued, unless and until either: (i) a duly executed transfer in respect thereof has been presented for registration; or (ii) the transfer of ownership is conducted electronically in accordance with the provisions of a direct registration system operated by a clearing agency approved by applicable regulatory authorities, and upon payment of eligible taxes and fees.

### **4.6 *Meetings of Shareholders***

The Articles provide that all meetings of Shareholders may be held at any place within Canada or the United Kingdom and may also be held by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. Any meeting of the Shareholders may be postponed or cancelled by the Board at any time prior to the date of the meeting.

#### *Calling and Notice of Meetings*

In accordance with the provisions of the CBCA, the directors of the Company will call an annual meeting of Shareholders not later than 18 months after the Company comes into existence and subsequently, not later than 15 months after holding the last annual meeting but no later than six months after the end of the Company's preceding financial year. The directors may call a special meeting at any time. Notice of the time and place of a meeting must be sent to each shareholder entitled to vote, each director and the auditor of the Company, not less than 21 days (excluding the day on which the notice is given and the day of the meeting) and no more than 60 days (including the day the notice is given and the day of the meeting) before the meeting.

#### *Quorum*

At any meeting of Shareholders, the quorum will be two persons present in person or by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting and each entitled to vote at the meeting and holding or representing by proxy not less than 2.5% of the votes entitled to be cast at the meeting (unless a greater number of Shareholders and/or a greater number of shares are required by the CBCA).

#### *Procedure*

The bylaws of the Company provide that the Board has the power to determine the procedures to be followed at any meeting of Shareholders including, without limitation, the rules of order. Subject to the foregoing, the chairman of a meeting may determine the procedures of the meeting in all respects.

## 5. DIRECTORS', SENIOR MANAGEMENT'S AND OTHER INTERESTS

### 5.1 Directors' and Senior Management's interests

- (a) The interests in the share capital of the Company of the Directors and Senior Management (all of which, unless otherwise stated, are beneficial or are interests of a person connected with a Director or member of Senior Management) as at (i) as at 30 January 2023 (being the latest practicable date prior to the publication of this Prospectus) are set out in the table below:

A1, 15.2

Name	As at 30 January 2023	
	Number of Common Shares	As a percentage of the total outstanding Common Shares
<b>Directors</b>		
Arthur S. Millholland	3,346,016	1.20%
Harald Ludwig	69,852	0.03%
Massimo Carello	95,479	0.03%
John Cowan	40,417	0.01%
Robert Chenery	Nil	Nil
<b>Senior Management</b>		
Rod Christensen	178,620	0.06%
Richard Mays	188,802	0.07%
Ryan Gaffney	247,916	0.09%

- (b) The interests of the Directors and Senior Management together represent approximately 1.50% of the issued and outstanding share capital of the Company as at 30 January 2023 (being the latest practicable date prior to the publication of this Prospectus).
- (c) The following unexercised Options over Common Shares have been granted to the Directors and to members of Senior Management under the Stock Option Plan, such Options being exercisable at the price and before the expiry date shown below:

A1, 15.2  
A1, 19.1.6

Name	Date of Grant	Number of Common Shares under stock option	Exercise price (CAD or £ )	Expiry date
<b>Directors</b>				
Arthur S. Millholland	14 September 2020	1,244,988	£0.35	14 September 2025
	29 January 2022	3,928,000	CAD0.54	29 January 2027
Harald Ludwig	14 September 2020	389,193	£0.35	14 September 2025
	29 January 2022	1,450,000	CAD0.54	29 January 2027
Nigel Little <sup>1</sup>	29 January 2022	500,000	CAD0.54	29 January 2027
Massimo Carello	14 September 2020	222,396	£0.35	14 September 2025
	29 January 2022	800,000	CAD0.54	29 January 2027
Robert Chenery	Nil	Nil	Nil	Nil
John Cowan	14 September 2020	277,995	£0.35	14 September 2025
	29 January 2022	800,000	CAD0.54	29 January 2027
<b>Senior Management</b>				
Rod Christensen	14 September 2020	111,198	£0.35	14 September 2025
	29 January 2022	450,000	CAD0.54	29 January 2027
Richard Mays	14 September 2020	111,198	£0.35	14 September 2025
	29 January 2022	450,000	CAD0.54	29 January 2027

Name	Date of Grant	Number of Common Shares under stock option	Exercise price (CAD or £ )	Expiry date
Ryan Gaffney	14 September 2020	272,396	£0.35	14 September 2025
	29 January 2022	2,452,000	CAD0.54	29 January 2027

Note: (1) Mr. Little resigned as a Non-Executive Director of the Company effective 22 January 2023.

- (d) The Company entered into the Promissory Note effective 14 February 2020, with Arthur Millholland, President and CEO of the Company, for a principal amount of CAD 200,000, at an interest rate payable on maturity at a rate of ten per cent (10%) per annum.
- (e) As at 31 December 2022, there were no outstanding loans granted by any member of the Group to any Director or any member of Senior Management, nor by any Director or member of Senior Management to any member of the Group, nor was there any guarantee outstanding that has been provided by any member of the Group for the benefit of any Director or member of Senior Management, or by any Director or member of Senior Management for the benefit of any member of the Group.
- (f) Save as set out in this Part XIX, it is not expected that any Director or member of Senior Management will have any interest in the share capital of the Company on the New Shares Admission and there is no person to whom any capital of any member of the Group is under option or agreed unconditionally to be put under option.
- (g) As at 30 January 2023 (being the latest practicable date prior to publication of this Prospectus), Anavio has 55,159,362 warrants and Bonds in the principal amount of \$19.6 million. Anavio holds an interest in approximately thirty five percent (35%) of the Company's capital or voting rights (on a fully diluted basis), assuming full conversion of the Bonds, the Warrants and assuming repayment of Conversion Payments in cash.
- (h) Save as set out in the foregoing, the Directors are not aware of any person who beneficially owns (or who will beneficially own immediately following the New Shares Admission), directly or indirectly, or exercises control or direction (or who will exercise control or direction immediately following the New Shares Admission) over ten percent (10%) or more of the issued and outstanding Common Shares of the Company, or of any person who can, will or could, directly or indirectly, jointly or severally, exercise control over the Company, or of any arrangements the operation of which would result in a change in control of the Company.
- (i) None of the Shareholders above have or will have voting rights attached to their Common Shares which are different to those of any other holder of Common Shares.
- (j) Other than the loan mentioned in (e) above, none of the Directors has or has had any material interest in any transactions which are or were unusual in their nature or conditions or are or were significant to the business of the Group and which were affected by the Group during the current or immediately preceding financial year and which remain in any respect outstanding or unperformed.
- (k) In addition to their directorships of the Company and other members of the Group, the Directors and members of Senior Management hold, or have held, the following directorships and are or were members of the following partnerships within the past five years:

A1, 16.1  
A1, 16.3  
A1, 16.4  
A1, 19.1.6

A1, 12.1

Name	Position	Name of company / partnership	Stock Exchange	Position still held (Yes / No)
<b>Directors</b>				
Arthur Millholland	Non-Executive Director	Rupert Resources Ltd.	TSX-V	N
Harald Ludwig	Director	Bond Capital Partners (UK) Limited	n/a	Y
	Director	Ludwig Investments Corp.	n/a	Y
	Director	Seaspan Corp.	NYSE	N
	Director	Suntoy Enterprises Inc.	n/a	Y

Name	Position	Name of company / partnership	Stock Exchange	Position still held (Yes / No)
Massimo Carello	Director	Canaccord Genuity Group Inc.	TSX	N
	Director	Orsu Metals Corp.	TSX/AIM	N
John Cowan	President	BrineTech Inc.	n/a	Y
	President	Xtivity Inc.	n/a	N
	Director	Dundee Energy Ltd	TSX	N
	Director	1145269 Ontario Ltd.	n/a	Y
	Director	Roth and Roth Ltd.	n/a	Y
	Director	Mallard Petroleum Ltd.	n/a	Y
	Director	Trinity EIC.	n/a	Y
Robert Chenery	President	Chenery Dobson Resource Management Ltd.	n/a	Y
	Director	Petroteq Energy Inc.	Y	N
	Director	Worldwide Resources Corp.	Y	Y

#### Senior Management

Rod Christensen	n/a	n/a	n/a	n/a
Richard Mays	Director	Prospex Energy plc	AIM	Y
	Director	Prospex Oil and Gas Limited	n/a	Y
	Director	Prospex OG Limited	n/a	Y
	Director	Sallork Limited	n/a	Y
	Director	Sallork (Property) Limited	n/a	Y
	Director	Sallork Legal and Commercial Consulting Limited	n/a	Y
Ryan Gaffney	Director	Auroch Minerals Limited	ASX	N
	Director	Third Beach Limited	n/a	N

- (l) Save as set out below, as at the date of this Prospectus none of the Directors or member of Senior Management has at any time within the last five years:
- (i) any convictions in relation to fraudulent offences;
  - (ii) been associated with any bankruptcies, receiverships or liquidations acting in the capacity of any of the positions set out against the name of the Director in Section 5.1(k) of this Part XIX;
  - (iii) been subject to any official public incrimination and/or sanction by any statutory or regulatory authority (including a designated professional body); or
  - (iv) been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.
- (m) Mr. Cowan was a director and officer of Dundee Energy Limited until April 2017. On 16 August 2017, a court order for protection under the CCAA was issued with respect to two wholly-owned entities being Dundee Oil and Gas Limited and Dundee Energy Limited Partnership. On 11 June 2018, the Ontario Superior Court of Justice approved a sale of these entities and the transaction was completed on 16 November 2018.
- (n) Mr. Chenery served as a director of Petroteq Energy, Inc. (“**Petroteq**”) from January 2022 to September 2022. He was not a director of Petroteq at the time any of the alleged violations disclosed below occurred. On 13 June 2022, Petroteq, an Ontario corporation with its common shares listed for trading on the TSX Venture Exchange, and Aleksandr Blyumkin, the former Chief Executive Officer of Petroteq, entered into a settlement with the United States Securities and Exchange Commission (the “**SEC**”) in order to

AI, 12.1

resolve an investigation by the SEC into certain violations by Petroteq and Mr. Blyumkin. Under the terms of the settlement, Petroteq and Mr. Blyumkin neither admitted nor denied the SEC's findings described in the SEC order instituting cease-and-desist proceedings pursuant to Section 8A of the United States Securities Act of 1933, as amended, and Section 21C of the United States Securities Exchange Act of 1934, as amended, and dated 13 June 2022.

## 5.2 *Directors' terms of employment and terms of office*

AI, 14.1  
AI, 14.2

The Directors and their functions are set out in Part IX (*Directors, Senior Management and Corporate Governance*). The Directors are appointed at each annual general meeting of the Shareholders (each an "AGM") and may also be appointed at a special meeting of shareholders if one of the purposes for which the meeting was called was the election of directors. Directors will hold office until the close of the next AGM or until a successor is duly elected or appointed or his or her office is earlier vacated in accordance with the CBCA and the Articles and by-laws of the Company. Notwithstanding the preceding sentence, incumbent directors continue to hold office until a successor is elected. The Corporate Governance and Nominating Committee reviews the make-up of the Board and committee appointments of all Directors annually and is responsible for identifying new candidates for recommendation to the Board for ultimate recommendation to the shareholders.

The Directors' competitive compensation consisted of an annual retainer and meeting fees plus stock options (which stock options are set within the guidelines prescribed by the CSE). Each Director was also entitled to a fee of CAD 2,000 for each committee of which he is a member. The Non-Executive Directors also received a fee of CAD 1,500 for each directors' meeting and committee meeting attended. The directors' fees for 2019 and first half of 2020 were waived by the Board. Fees and aforementioned top-ups are payable on quarterly basis at the end of each quarter. The fees for the first quarter and second quarter of 2020 were waived. Commencing 1 April 2021, annual retainers paid to the independent directors are CAD 150,000 to the Non-Executive Chairman of the Board, CAD 75,000 to the other independent directors, CAD 25,000 to the Chairman of the Audit Committee, CAD 15,000 to the Chairman of each of the other committees and CAD 2,000 to each committee member. Independent directors also receive a fee of CAD 1,500 for each director's meeting and committee meeting attended. The Compensation Committee is responsible for reviewing and recommending to the Board the retainer and fees to be paid to members of the Board.

A director's term of office is terminable in accordance with the provisions of the CBCA. Pursuant to the CBCA, a director will cease to hold office by reason of: (i) death or resignation; or (ii) removal or disqualification in accordance with the provisions of the CBCA. A director may be removed from office if the shareholders of a corporation so vote by ordinary resolution at a special meeting of shareholders. A director may become disqualified if: (i) he is less than 18 years of age; (ii) is found by a court to be of unsound mind; (iii) is not an individual; or (iv) he acquires the status of bankrupt. Further details of the terms of employment of each Director are set out below.

### *Arthur S. Millholland*

Mr. Millholland entered into a service agreement with the Company dated 29 March 2011, to act as the President and CEO of the Company, which continues until terminated on written notice by either party. Where termination notice is served by the Company, it is with immediate effect and, unless given for just cause (as defined in the service agreement), entitles Mr. Millholland to a severance package of 1.5 times his annual salary (including any bonus and all benefit payments). Where termination notice is served by Mr. Millholland, there is a 30 day notice period which may be waived by the Company save where notice is served within 60 days of a change of control (as defined in the service agreement) of the Company, in which case Mr. Millholland is also entitled to a severance package of 1.5 times his annual salary (including any bonus and all benefit payments). The agreement (as amended in September 2021) provides for an annual salary of \$475,000. Mr. Millholland's service agreement contains various post-termination confidentiality and non-compete covenants which are customary in agreements of this nature in order to protect the Group's business. As a Director, Mr. Millholland is also subject to the Canadian common law fiduciary duty in respect of the Company which obliges him not to disclose the confidential information of the Company and to act honestly and in good faith, with a view to the best interests of the Company.



### *Harald Ludwig*

Mr. Ludwig was appointed as a Non-Executive Director of the Company with effect from 5 October 2009. He also acts as Chairman of the Board. The appointment is terminable pursuant to the provisions of the CBCA. Commencing 1 April 2021, Mr. Ludwig receives an annual retainer of CAD 150,000 for his services as Director, an annual retainer of CAD 15,000 for his service as chairman of the Corporate Governance and Nominating Committee and an annual retainer of CAD 4,000 for his service as a member of the Compensation Committee and Audit Committee. Mr. Ludwig is not entitled to receive any compensation on termination of his appointment. As a Director, Mr. Ludwig is subject to the Canadian common law fiduciary duty in respect of the Company which obliges him not to disclose the confidential information of the Company and to act honestly and in good faith, with a view to the best interests of the Company. Mr. Ludwig does not have a service contract with the Company or any other member of the Group.

### *Massimo Carello*

Mr. Carello was appointed as a Non-Executive Director of the Company with effect from 5 October 2009. The appointment is terminable pursuant to the provisions of the CBCA. Commencing 1 April 2021, Mr. Carello receives an annual retainer of CAD 75,000 for his services as Director, an annual retainer of CAD 15,000 for his service as chairman of the Compensation Committee and an annual retainer of CAD 6,000 for his service as a member of the Corporate Governance and Nominating Committee, the Audit Committee and the Health, Safety and Environment Committee. Mr. Carello is not entitled to receive any compensation on termination of his appointment. As a Director, Mr. Carello is subject to the Canadian common law fiduciary duty in respect of the Company which obliges him not to disclose the confidential information of the Company and to act honestly and in good faith, with a view to the best interests of the Company. Mr. Carello does not have a service contract with the Company or any other member of the Group.

### *John Cowan*

Mr. Cowan was appointed as a Non-Executive Director of the Company with effect from 10 November 2015. The appointment is terminable pursuant to the provisions of the CBCA. Commencing 1 April 2021, Mr. Cowan receives an annual retainer of CAD 75,000 for his services as Director, an annual retainer of CAD 15,000 for his service as chairman of the Health, Safety and Environment Committee, an annual retainer of CAD 25,000 for his service as chairman of the Audit Committee and an annual retainer of CAD 4,000 for his service as a member of the Corporate Governance and Nominating Committee and the Reserve Committee. Mr. Cowan is not entitled to receive any compensation on termination of his appointment. As a Director, Mr. Cowan is subject to the Canadian common law fiduciary duty in respect of the Company which obliges him not to disclose the confidential information of the Company and to act honestly and in good faith, with a view to the best interests of the Company. Mr. Cowan does not have a service contract with the Company or any other member of the Group.

### *Robert Chenery*

Mr. Chenery was appointed as a Non-Executive Director of the Company with effect from 1 April 2022. The appointment is terminable pursuant to the provisions of the CBCA. Mr. Chenery receives an annual retainer of CAD 75,000 for his services as Director, an annual retainer of CAD 15,000 for his service as chairman of the Reserve Committee and an annual retainer of CAD 2,000 for his service as a member of the Health, Safety and Environment Committee. Mr. Chenery is not entitled to receive any compensation on termination of his appointment. As a Director, Mr. Chenery is subject to the Canadian common law fiduciary duty in respect of the Company which obliges him not to disclose the confidential information of the Company and to act honestly and in good faith, with a view to the best interests of the Company. Mr. Chenery does not have a service contract with the Company or any other member of the Group.

## 5.3 Directors' terms of office

<b>Name</b>	<b>Date of Birth</b>	<b>Position</b>	<b>Appointment Date</b>	<b>Expiry of current term of office</b>
Arthur S Millholland	30 October 1959	President and Chief Executive Officer	14 August 2009	To be reappointed at the Company's next AGM
Harald Ludwig	2 November 1954	Non-Executive Chairman	29 September 2009	To be reappointed at the Company's next AGM

Name	Date of Birth	Position	Appointment Date	Expiry of current term of office
Massimo Carello	12 June 1948	Non-Executive Director	29 September 2009	To be reappointed at the Company's next AGM
John Cowan	20 December 1953	Non-Executive Director	10 November 2015	To be reappointed at the Company's next AGM
Robert Chenery	20 March 1946	Non-Executive Director	1 April 2022	To be reappointed at the Company's next AGM

#### 5.4 Directors' and Senior Management's remuneration

A1, 13.1  
A1, 15.3  
A1, 19.1.6

The remuneration (including salary and other benefits) payable under the terms of the applicable service agreements, resolutions and incentive plans for the financial year ended 31 December 2021:

Name	Position	Fees or salary (CAD)	Share based awards (CAD) <sup>2</sup>	Option based awards <sup>3</sup> (CAD)	Non-equity incentive plan compensation (CAD) <sup>4</sup>	Pension value (CAD) <sup>5</sup>	All other compensation (CAD)	Total compensation (CAD)
Arthur S. Millholland	President and Chief Executive Officer	471,500	Nil	Nil	126,300	Nil	Nil	597,800
Harald Ludwig	Non-Executive Chairman	162,800	Nil	Nil	Nil	Nil	Nil	162,800
Massimo Carello	Non-Executive Director	104,000	Nil	Nil	Nil	Nil	Nil	104,000
John Cowan	Non-Executive Director	121,000	Nil	Nil	Nil	Nil	Nil	121,000
Nigel Little <sup>1</sup>	Non-Executive Director	6,300	Nil	Nil	Nil	Nil	Nil	6,300
Viscount William Astor	Former Non-Executive Director	75,800	Nil	Nil	Nil	Nil	Nil	75,800
Rod Christensen	Senior Vice President Exploration and Development	275,000	Nil	Nil	Nil	Nil	Nil	275,000
Richard Mays	Vice President, Business Development and General Counsel	316,500	Nil	Nil	62,800	Nil	Nil	379,300
Ryan Gaffney	Chief Financial Officer	404,100	Nil	Nil	125,600	Nil	Nil	529,700

Note: (1) Mr. Little resigned as a Non-Executive Director of the Company effective 22 January 2023.

5.5 Under the terms of their applicable service and employment contracts, letters of appointment and applicable incentive plans, the aggregate remuneration and benefits payable to Directors and Senior Management for the financial year ended 31 December 2021 was CAD2,251,700.

5.6 Other than postponing the Directors' fees for the third and fourth quarter of 2022, there is no arrangement under which any Director or member of Senior Management has waived or agreed to waive future emoluments nor has there been a waiver of emoluments during the financial year immediately preceding the date of this Prospectus.

5.7 Other than as described in Section 5.2 and Section 5.6 above and as set out below, no benefit, payment or compensation of any kind is payable to any Director or member of Senior Management upon termination of his or her employment. As well as the payments described in Section 5.2 in relation to the Directors, the following payments may be required to be made on termination of the employment of members of Senior Management

A1, 14.2

<sup>3</sup> The Company did not grant share-based awards.

<sup>3</sup> Option-based awards reflect the grant date fair value of options that is estimated using the Black-Scholes option pricing model. The indicated amounts are fair value calculations rather than actual payments by the Company.

<sup>4</sup> Bonuses, if any, are approved by the Board on the recommendation of the Compensation Committee and paid in the year following the financial year in respect of which they are awarded.

<sup>5</sup> The Company has no long-term incentive plans or pension plans.

other than for just cause:

- (a) 1.5 times such person's annual base salary;
- (b) (other than with respect to Richard Mays who will not receive any termination payment calculated by reference to his bonus) 1.5 times such person's last bonus; and
- (c) 18 times the Company's monthly contributions to all benefits received by such person.

5.8 Certain Directors are, and may continue to be, also directors, officers or shareholders of other oil and gas companies whose operations may, from time to time, be in direct competition with those of the Company or with entities which may, from time to time, provide financing to, or make equity investments in competitors of the Company. In accordance with the CBCA, such Directors and executive officers will be required to disclose all conflicts of interest as such conflicts arise. If a conflict of interest arises at a meeting of the Board, any Director in a conflict will disclose his interest and abstain from voting on such matter.

5.9 Other than as disclosed in Section Part XIX5.1(e) above, as at the date of this Prospectus, the Company is not aware of any potential conflicts of interests between any duties to the Company of any Director or member of Senior Management and such Director or member of Senior Management's private interests and/or other duties.

## **6. PENSIONS**

A1, 13.2

The Company does not have any defined benefit or defined contribution pension plans or deferred compensation plans for any of its Directors, officers or employees.

## **7. INCENTIVE ARRANGEMENTS**

### **7.1 *Stock Option Plan***

A1, 15.3

The Directors believe that the Company will benefit from the added interest that eligible persons under the Stock Option Plan will have in the welfare of the Company as a result of their proprietary interest in the Company's success. Therefore the Stock Option Plan has been in place since the incorporation of the Company.

The principal terms of the Stock Option Plan are set out below.

#### **7.1.1 *Eligibility***

Under the terms of the Stock Option Plan, stock options may be granted to directors, officers, employees and consultants of the Company.

#### **7.1.2 *Grant of stock options***

A committee of the Board appointed in accordance with the Stock Option Plan (or the Board itself if no such committee has been formed) has the discretion to grant stock options from time to time to eligible persons.

#### **7.1.3 *Exercise price***

The price payable upon the exercise of any stock option is set at the time of grant, subject to regulatory requirements. The stock option price must not be less than the market price of the Common Shares as of the date prior to the grant.

#### **7.1.4 *Exercise of stock options***

The stock options may be exercised on or before the expiry dates fixed at the time of the grant of the stock option and as set out in the stock option agreement.

#### **7.1.5 *Ceasing to hold office or leaving employment***

In the event that a stock option holder holds stock options as an executive of the Company, such stock options will expire 90 days following the date on which such stock option holder ceases to be an executive of the Company as a result of: (i) ceasing to meet the legal qualifications applicable to the Company; (ii) a special resolution of the Shareholders removing the stock option holder as a director of the Company or any subsidiary; or (iii) an order made by any regulatory authority having jurisdiction to so order.

In the event that a stock option holder holds stock options as an employee or consultant, such stock options will expire 90 days (unless otherwise determined by a committee of the Board) following the date on which such stock option holder ceases to be an employee or consultant as a result of: (i) termination for cause; or (ii) an order made by any regulatory authority having jurisdiction to so order.

In the event that a stock option holder ceases to hold the position of executive, employee or consultant for which the stock option was originally granted, but comes to hold a different position as an executive, employee or consultant prior to the expiry of the stock option, the committee of the Board responsible for the Stock Option Plan has the discretion to permit the stock option holder to retain the stock option.

#### 7.1.6 *Corporate events*

The committee of the Board responsible for the Stock Option Plan may, without the consent of the stock option holder or holders concerned: (i) cause all or a portion of any of the stock options granted to terminate on the occurrence of a triggering event; or (ii) cause all or a portion of any of the stock options granted to be exchanged for incentive stock options of another corporation upon the occurrence of a triggering event, in such ratio and at such exercise price as the committee deems appropriate, acting reasonably.

A “triggering event” for the purposes of this section is: (i) the proposed dissolution, liquidation or winding-up of the Company; (ii) a proposed merger, amalgamation, arrangement or reorganisation of the Company with one or more corporations as a result of which, immediately following such event, the Shareholders as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation; (iii) the proposed acquisition of all or substantially all of the issued and outstanding shares of the Company by one or more persons or entities; (iv) a proposed change of control of the Company; (v) a proposed sale or other disposition of all or substantially all of the assets of the Company; or (vi) a proposed material alteration of the capital structure of the Company which, in the opinion of the committee, is of such a nature that it is not practical or feasible to make adjustments to the Stock Option Plan or to the stock options granted to permit them to remain in effect.

#### 7.1.7 *Variation of capital*

If there is a material alteration in the capital structure of the Company and the Common Shares are consolidated, subdivided, converted or reclassified, the committee of the Board responsible for the Stock Option Plan will make such adjustments to the Stock Option Plan and to the stock options then outstanding as the committee determines to be appropriate and equitable under the circumstances, so that the proportionate interest of each stock option holder will, to the extent practicable, be maintained as before the occurrence of such event.

#### 7.1.8 *Plan limits*

The number of shares authorised to be issued under the terms of the Stock Option Plan shall not exceed 10% of the number of outstanding Common Shares. The maximum number of stock options which may be granted to any one holder within a 12 month period is 5% of the number of shares in issue, or 2% in the case of a consultant or of a consultant or employee engaged in investor relations activities.

#### 7.1.9 *Amendments*

The vesting schedule for the stock options may be accelerated by the committee of the Board responsible for the Stock Option Plan without the consent of the stock option holder. The committee may also amend any existing stock option or the Stock Option Plan from time to time, provided that any amendment which materially decreases the rights or benefits accruing to a stock option holder or materially increases the obligations of a stock option holder may only be effected with the written consent of the stock option holder.

## 8. **WARRANTS**

A1, 19.1.4

As at 30 January 2023, the Company has 72,175,362 Warrants issued and outstanding. Such Warrants have the following terms:

<b>Name</b>	<b>Date of Grant</b>	<b>Number of share warrants</b>	<b>Exercise price</b>	<b>Expiry date</b>
Tennyson Securities	8 March 2021	2,625,000	£0.32	8 March 2023
Tennyson Securities	22 April 2022	998,600	£0.25	22 April 2024

Name	Date of Grant	Number of share warrants	Exercise price	Expiry date
Hannam & Partners	22 April 2022	998,600	£0.25	22 April 2024
Various Bondholders	26 July 2022	54,792,590	£0.165	26 January 2025
Anavio	30 December 2022	12,760,572	£0.180	30 June 2025

## 9. BONDS

A1, 19.1.4

Subsequent to 26 July 2022 and as of the date of this Prospectus, further to conversion of the Bonds and settlement into Common Shares, the Company issued 27,514,348 Common Shares. See Section 9 (*Bonds*) of Part XIII9 and Section 3.7 of Part XIX3.7.

## 10. MATERIAL CONTRACTS

A1, 20.1

Each contract summarised in this Section 10 of Part XIX, is not a contract entered into in the ordinary course of business, and has been entered into by the Company or another member of the Group within the two years immediately preceding the date of this Prospectus, and is or may be material.

### 10.1 *Atomic Acquisition*

On 16 December 2020, the Company entered into a stock and membership interest purchase agreement with James W. Williams, Jr. (as amended on 31 December 2020 and 16 March 2021) pursuant to which, the Company agreed to purchase from James W. Williams, Jr. all of the issued and outstanding capital stock of Atomic and membership interests of SWP for consideration of US\$54,000,000 consisting of assumed debt, cash and Common Shares. Pipeco, being a wholly owned subsidiary of SWP, was also acquired as part of this acquisition. The consideration payable by the Company included the following: (i) a non-refundable deposit of US \$1,000,000 payable on signing of the acquisition agreement; (ii) US\$8,000,000 in exchange for 15% of Atomic's working interest in the Wyoming Assets (this interest was to remain with the Company irrespective of whether the Atomic Acquisition successfully closed); (iii) a payment of US\$15,000,000 at closing; (iv) assumption of US\$26,000,000 in debt held by Atomic, SWP and their affiliates; and (v) the issuance of 818,873,319 Common Shares before the Share Consolidation representing \$4 million of the purchase price.

### 10.2 *Senior Credit Facility Agreement*

Certain of the Company's subsidiaries being COPL America, as borrower, and COPL America Holding, the parent of COPL America, are party to the Senior Credit Facility Agreement dated 16 March 2021. The Senior Credit Facility Agreement provides for a total senior secured term loan facility of US\$65,000,000 bearing interest at a rate of LIBOR + 10.50% (subject to a 2.00% LIBOR floor) per annum and with a maturity date of 16 March 2025. COPL America Holding and COPL America granted a first priority perfected security interest in all of their respective owned and hereafter acquired property including all oil and gas reserves and equity interests to ABC Funding LLC for the benefit of secured parties relating to such Senior Credit Facility Agreement.

The Senior Credit Facility Agreement provided COPL America with a base loan facility of US\$45,000,000 to fund the Atomic Acquisition and an associated refinancing to retire trade payables owed by Atomic and its affiliates, to fund cash liquidity into COPL America and/or to pay financing fees and transaction and legal costs in relation to the Senior Credit Facility Agreement and facilities thereunder and related documents.

The Senior Credit Facility Agreement provides the Company with additional flexibility to utilise (at the sole consent of the relevant lenders) an accordion/incremental facility for up to US\$20,000,000 to potentially fund future developments. The process for utilising the additional incremental amounts (up to US\$20,000,000) is subject to further notice to and consent by the Lender and the Company entering into additional loan documentation to evidence these additional amounts.

The Senior Credit Facility Agreement contains a number of standard terms and conditions which have been negotiated between the Company and the Lender, including: representations and warranties and indemnities; a default regime; and standard boilerplate terms typical for such a commercial lending facility. The Senior Credit Facility Agreement further details fees payable with respect to the initial draw down and an ongoing servicing fee. It also details certain repayment/prepayment premiums in the event the Company prepays/repays any the loan amounts prior to the 16 March 2024. The Senior Credit Facility Agreement also provides a mechanism to make voluntary repayments on the loans prior to the agreed maturity date, as well as prescribing events triggering mandatory prepayments/repayments (e.g. on the occurrence of specified events such as certain asset sales, insurance policy pay outs, the incurrence of further indebtedness, excess cash sweeps, or extraordinary cash receipts or the issuance of further equity).

### 10.3 *Tennyson Brokerage Agreement*

The Company and Tennyson Securities entered into the Tennyson Brokerage Agreement dated 8 March 2021, and with an effective date of 1 January 2021, pursuant to which Tennyson Securities was appointed as a non-exclusive broker to the Company for a minimum period of 12 months. Under the Tennyson Brokerage Agreement, Tennyson Securities agreed to act as a non-exclusive broker to the Company for a minimum period of 12 months. The Tennyson Brokerage Agreement contains terms and conditions for: (i) the provision of general corporate broking services, (ii) the provision of investor relation services, (iii) the provision of advice on investment conditions and the pricing of the Company's securities, (iv) the provision of general financial advice on a case-by-case basis, (v) the preparation of broker research notes, (vi) the provision of market making services and (vii) notice of further broker appointments.

### 10.4 *March 2021 Placing Agreement*

On 8 March 2021, the Company entered into the March 2021 Placing Agreement with Tennyson Securities in relation to the March 2021 Placing. Under the March 2021 Placing Agreement, Tennyson Securities agreed (as agent and on behalf of the Company) to arrange the March 2021 Placing. However, Tennyson Securities was not obliged to subscribe for any of the placing shares and had no absolute obligation to procure placees to subscribe for any of the placing shares.

Under the March 2021 Placing Agreement, Tennyson Securities gave certain undertakings to the Company, and the Company gave a number of representations, warranties, covenants and undertakings to Tennyson Securities which might be given in agreements of this nature. In addition, the Company gave an indemnity to Tennyson Securities and others connected with Tennyson Securities in relation to certain matters related to the March 2021 Placing Agreement.

The Company agreed in the March 2021 Placing Agreement to pay Tennyson Securities (i) a commission of six per cent of the gross value of the funds raised pursuant to the March 2021 Placing and (ii) certain costs relating to such March 2021 Placing. In addition, the Company agreed to grant (pursuant to the terms of a warrant instrument dated March 2021) 2,625,000 warrants to Tennyson Securities to subscribe for an amount of Common Shares equal to six per cent of the number of Common Shares placed under the March 2021 Placing, which were exercisable at any time from the date of the relevant admission of such Common Shares to listing for two years at the price of £0.32 per such Common Share. The March 2021 Placing Agreement also contained a number of termination rights for Tennyson Securities.

### 10.5 *December 2021 Placing Agreement*

On 1 December 2021, the Company entered into a placing agreement with Tennyson Securities (the "**December 2021 Placing Agreement**") in relation to the December 2021 Placing. Under the December 2021 Placing Agreement, Tennyson Securities agreed (as agent and on behalf of the Company) to arrange the December 2021 Placing. However, Tennyson Securities was not obliged to subscribe for any of the placing shares and had no absolute obligation to procure placees to subscribe for any of the placing shares.

Under the December 2021 Placing Agreement, Tennyson Securities gave certain undertakings to the Company, and the Company gave a number of representations, warranties, covenants and undertakings to Tennyson Securities which might be given in agreements of this nature. In addition, the Company gave an indemnity to Tennyson Securities and others connected with Tennyson Securities in relation to certain matters related to the December 2021 Placing Agreement.

The Company agreed in the December 2021 Placing Agreement to pay Tennyson Securities (i) a commission of six per cent of the gross value of the funds raised pursuant to the December 2021 Placing and (ii) certain costs relating to such December 2021 Placing. In addition, the Company agreed to grant warrants to Tennyson Securities to subscribe for an amount of Common Shares equal to six per cent of the number of Common Shares placed under the December 2021 Placing, which were exercisable for one year at the price of £0.24 per such Common Share. The December 2021 Placing Agreement also contained a number of termination rights for Tennyson Securities.

#### 10.6 ***Amendment and Waiver Agreement***

To facilitate a convertible bond financing and the Group's first quarter objectives including debt refinancing, the Group agreed to amendments of certain terms of the Senior Credit Facility Agreement. The liquidity covenant was amended to a 30-day average of \$2 million and requisite permissions for the funding of COPL America's first quarter of 2023 work programme and use of proceeds from the Winter Bond Financing have been received.

In addition, the Group's failure to meet the quarterly leverage and liquidity ratio requirements of the Senior Credit Facility as at 31 December 2022 were waived by the Lender under the Senior Credit Facility on a one-time basis.

#### 10.7 ***Asset Purchase and Sale Agreement***

On 11 April 2022, COPL America entered into an agreement of purchase and sale, as amended, with FTI Consulting Canada Inc., a court-appointed receiver, to acquire the Cuda Interests. COPL America submitted bids on the Cuda Interests in a sales process mandated by a Receivership Order on Cuda and its affiliates by the Court of Queens Bench of Alberta in Canada and a Chapter 15 Recognition Order for Cuda by the United States Bankruptcy Court for the District of Wyoming. The Cuda Acquisition was completed on 26 July 2022 for the cash consideration of US\$19.15, plus estimated assumed liabilities of US\$1.6 million.

#### 10.8 ***April 2022 Placing Agreement***

On 19 April 2022, the Company entered into a placing agreement (the "**April 2022 Placing Agreement**") with Hannam & Partners and Tennyson Securities (the "**Brokers**") in relation to the April 2022 Placing. Under the April 2022 Placing Agreement, the Brokers agreed (as agent and on behalf of the Company) to use their reasonable endeavours to procure subscribers for the April 2022 Placing.

Under the April 2022 Placing Agreement, the Brokers gave certain undertakings to the Company, and the Company gave a number of representations, warranties, covenants and undertakings to the Brokers which might be given in agreements of this nature. In addition, the Company gave an indemnity to the Brokers and others connected with the Broker in relation to certain matters related to the April 2022 Placing.

The Company agreed in the April 2022 Placing Agreement to pay the Brokers (i) a cash commission of four per cent of the gross value of the funds raised pursuant to the April 2022 Placing; and (ii) 1,997,200 broker warrants equal to 4% of the Common Shares issued pursuant to the April 2022 Placing. Each broker warrant entitles the holder thereof to purchase one Common Share at £0.25 per Common Share until 22 April 2024. The April 2022 Placing Agreement also contained a number of termination rights for the Brokers.

#### 10.9 ***July 2022 Purchase Agreement and Placing Letters***

Pursuant to the July 2022 Placing, the Company entered into a purchase agreement with Anavio and into placing letters with various institutional investors for the purchase of an aggregate of 54,792,590 warrants and the issue of two series of Bonds with an aggregate principal amount of US\$25.2 million. See Section 9 (Bonds) of Part XIII for more information.

#### 10.10 ***Revised commodity risk management contracts***

On 21 December 2022, the Company entered into three new swap contracts that replaced remaining terms of prior commodity contracts in place with respect to the sales of crude oil production and the purchase of butane; for details see Section 9 (*Commodity Risk Management Contracts*) of Part XIII.

#### 10.11 ***Winter Bond Financing Purchase Agreement and Placing Letters***

Pursuant to the Winter Bond Financing, the Company entered into a purchase agreement with Anavio on 30 December 2022 for the purchase of 12,760,572 common share purchase warrants and the issue of additional 20 2025 Bonds with an aggregate principal amount of US\$4 million.

See Section 9 (*Bonds*) of Part XIII9 for more information.

## 11. PROPERTY, LEASES, PLANT AND DRILLING EQUIPMENT

A1, 5.5

The Group's material assets are its exploration and exploitation claims, licences and permits, further details of which are contained in Section 5 (*Overview of Assets and Projects*) of Part VIII.

## 12. LITIGATION

A1, 18.6.1

There are no governmental, legal or arbitration proceedings nor, so far as the Company is aware, are any such proceedings, pending or threatened, which may have, or have had during the 12 months preceding the date of this Prospectus, a significant effect on the Group's financial position or profitability.

## 13. RELATED PARTY TRANSACTIONS

A1, 17.1

Save as set out below and for the related party transactions set out in: (i) Note 14 to the audited annual financial statements for the group for the financial year ended 31 December 2020 and 2019, and (ii) Note 22 to the audited annual financial statements of the Group for the financial years ended 31 December 2021 and 2020, each as incorporated by reference in Part XII (*Financial Information on the Group*) there were no related party transactions entered into by the Company during the financial years ended 31 December 2019, 2020 and 2021.

## 14. INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than in connection with the Promissory Note, there are no material interests, direct or indirect, of any Director, executive officer or member of Senior Management. Save as disclosed at paragraph 5 in Part XIX (*Additional Information*) there is no shareholder who beneficially owns, directly or indirectly, more than 10% of any class or series of the Company's voting securities, or any known associates or affiliates of such persons, in any transaction within the three years before the date of this Prospectus that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries.

## 15. DISCLOSURE OF SHAREHOLDINGS

### 15.1 *Canadian requirements*

The Company is a reporting issuer in Canada and is subject to Canadian securities laws. Pursuant to such laws, when a person (an "**Acquiror**") acquires beneficial ownership of, or the power to exercise control or direction over, or securities convertible into, voting or equity securities of any class of a reporting issuer (such as the Company) that, together with such Acquiror's securities would constitute 10% or more of the outstanding securities of that class, the Acquiror must forthwith issue a news release in Canada announcing, among other things, the number of such securities they hold and their intentions with respect to the securities of the Company. A formal report (an "early warning report") setting forth details regarding the acquisition is also required to be filed with the Securities Commissions of the respective province, within two business days of the acquisition of shares (or convertible securities) that results in the person holding 10% or more of such securities. If an Acquiror's beneficial ownership of, or control or direction over, shares (or securities convertible into Common Shares) decreases to less than 10% of such securities, the Acquiror must issue a news release and file an early warning report disclosing the same information as described above.

Whenever an Acquiror who has filed an early warning report acquires or disposes beneficial ownership of, or acquires or ceases to have control over, 2% of the Company's shares (including securities convertible into Common Shares), or if there is a change in a material fact disclosed in a previously filed report, an additional report must be filed within the same time limits.

The Company is required by Form 51-102F5 of NI 51-102 to disclose in its information circulars whether, to the knowledge of the Company's directors or executive officers, any person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company.

### 15.2 *UK requirements*

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules ("**DTR5**") apply to the Company and its shareholders. For the purposes of DTR5, the Company is a "non-UK issuer" as such term is defined in DTR5.



DTR5 requires a shareholder to notify the Company if the voting rights held by any such shareholder (including by way of certain financial instruments) reach, exceed or fall below 5 %, 10%, 15 %, 20 %, 25 %, 30 %, 50% and 75% of the Company's outstanding share capital. Under DTR5, certain voting rights in the Company may be disregarded.

## 16. TAKEOVER REGULATIONS AND COMPULSORY ACQUISITION

A11, 4.9

### 16.1 *Takeover regulation*

The CBCA and Canadian securities legislation govern takeover bids for Canadian companies. A takeover bid is generally defined as an offer to acquire outstanding voting or equity securities of a class, made to any holder in the local jurisdiction of the securities, if such securities, together with the securities held by the offeror and any person acting in concert with the offeror would constitute 20% or more of the outstanding securities of that class, in the aggregate, at the date of the offer. A takeover bid must be made to all holders of securities of the class subject to the bid who are in the local jurisdiction (with limited exceptions) and must allow those holders 35 days to deposit securities pursuant to the bid. Notwithstanding the foregoing, the Canadian Securities Administrators have adopted a policy permitting them to issue a cease trade order in the event the takeover offer is not made to all Canadian security holders.

The availability of a takeover bid to shareholders residing outside Canada will be dependent on whether such takeover bid may be made to such non-Canadian shareholders pursuant to applicable legislation of the jurisdiction in which the non-Canadian shareholders resides and the actions of the offeror.

A takeover bid circular will be delivered to the security holders by the offeror detailing the terms of the bid. The directors of the reporting issuer (in this case, the Company) would then be required to deliver a directors' circular within 15 days of the date of the bid. The directors' circular would set out the Board's recommendation to accept or reject the bid, including reasons therefor or a statement that the Board is unable to comment and providing reasons in support of that position.

### 16.2 *Compulsory Acquisition*

Canadian corporate legislation permits an Acquiror who has been successful in acquiring 90% of the shares of a company (excluding those shares already held by the Acquiror), to, within four months of making the offer to acquire such shares, send written notice to any shareholder who did not accept the offer, compelling them to sell their shares on the same terms as contained in the original offer. The tendering obligation is subject to the right of the shareholder to make application to the court, which may set the terms of the transaction and make any other consequential orders it deems fit. There is no reciprocal mechanism under Canadian law permitting a shareholder who refuses the original offer to compel the Acquiror to acquire its shares on the terms of the original offer.

## 17. WORKING CAPITAL

A11, 3.1

**The Company is of the opinion that the Group does not have sufficient working capital for its present requirements, that is, for at least the next 12 months from the date of this Prospectus.**

As at the date of this Prospectus, the Company has an immediate working capital shortfall although the Group has no immediate working capital shortfall. This is because although the Company's US operations are expected to cover its basic needs from positive operating cash inflow for the next few months (based on current commodity prices), the covenants imposed by the Senior Credit Facility Agreement prohibit COPL America from sharing its profit with the Company before the Senior Credit Facility is repaid. The Group will be required to obtain additional financing of approximately \$15.7 million in order to have sufficient working capital for the period beyond the next 12 months from the date of this Prospectus.

Based on management estimates and forecasts prepared as at December 31, 2022 and for the 12 months of 2023, the Group requires additional financing for:

- \$7.6 million to finance corporate operation and its non-US subsidiaries. The corporate cost includes mainly salaries of management, technical and accounting staff, office expenses, professional fees (including legal, audit and tax fees) as well as administrative expenses related to COPL as a public company. These costs are currently budgeted for the next 12 months in the amount of \$6.7 million, approximately \$0.55 million per month. The management anticipates in its forecast that approximately \$1.3 million of outstanding accounts payable will be paid in shares (via debt exchange) and some creditors have already agreed in principle to be paid in shares as at the date of this Prospectus. The Company is currently working on a reduction of its administrative costs. However, as at the date of this Prospectus, no agreements have been signed that would materially change the budgeted general and

administrative expenses.

- \$8.1 million to finance its US operation, mainly gas and liquids injection program of \$5.5 million. The management estimation is based on 2023 forecast prepared based on a conservative production level of 70% of PDP scenario from current reserve report and using forward WTI prices as at January 2023. The forecast is dependant on WTI prices (not only it terms of revenues but also risk management contracts in place), production levels and operating costs. Accordingly, actual operating results and cash flows in 2023 may differ materially. However, the management believes the above estimation of \$8.1 million reflects a minimum funding requirement for US operation for next 12 months considering the pricing and other circumstances that exist as at the date of filing this Prospectus. More funds would be required if the Group decides to invest more in upgrading and/or development of its US assets.

The Company primarily intends to raise the required additional capital through further Bond issues or equity fundraisings. The Company is in active negotiations and intends to issue additional 2025 Bonds and warrants pursuant to a second tranche of the Winter Bond Financing, which is expected to close in February 2023.

The Company will seek to ensure that any future equity fundraising or financing is completed prior to 2024. The Directors are confident that future fundraisings can be achieved on acceptable terms. The Directors' confidence in such fundraisings being achievable is based on the following factors:

- the Company has raised net proceeds of approximately \$74 million through issuances of equity and Bonds to fund the Wyoming Assets acquisitions and US operations, and \$45 million of senior debt since December 2020;
- the Directors believe that the Common Shares are attractive to UK and international institutional investors on the basis that the Common Shares are listed in London as well as in Canada;
- although the fundraising environment in the small cap oil and gas sector remains difficult, the Directors believe that market appetite for shares in exploration and production companies in the US has improved in recent years;
- the Directors believe that a number of the Existing Shareholders and Bondholders may be interested in purchasing additional Common Shares or Bonds in future fundraisings to prevent dilution of their holdings, as some of them have done in relation to past financings; and
- the Directors believe that the Company's assets are highly prospective and may be of interest to new investors and potential oil and gas industry partners through joint ventures.

The Senior Credit Facility is fully drawn in a principal amount of \$45 million and is scheduled to be repaid in March 2025. In anticipation of the Group defaulting its requirement to meet the quarterly leverage and monthly liquidity ratio requirements of the Senior Credit Facility as at 31 December 2022, the Lender provided an irrevocable and unconditional waiver of the default on a one-time basis on 30 December 2022.

Under the Senior Credit Facility, the Group is required, among other things, to maintain a monthly liquidity financial ratio of a minimum average cash balance of at least \$2 million for the immediately preceding 30 day period as at January 31, 2023 and February 28, 2023, a minimum average cash balance of at least \$2.5 million for the immediately preceding 45 day period as at March 31, 2023 and each subsequent month end to the end of the term of the loan and a quarterly leverage financial ratio of 3.0:1.0 as at March 31, 2022, 2.75:1.0 as at June 30, 2022 and 2.50:1.0 as at September 30, 2022 and each fiscal quarter ending thereafter.

The Group's working capital shortfall may trigger a future event of default under the Senior Credit Facility if the Group is unable to meet the requirements of the Senior Credit Facility. If a future event of default arises under the Senior Credit Facility and is not waived, the Lender could, at their discretion, decide to vote in sufficient numbers to use such an unwaived future event of default to accelerate and demand immediate payment of amounts under the Senior Credit Facility (including but not limited to the \$45 million principal amount draw down). Non-payment of such demanded amounts could lead to the Lender enforcing security and/or guarantees to satisfy such amounts. The Company's US subsidiaries are parties to the Senior Credit Facility, and COPL is not itself a party or bound by the Senior Credit Facility or any related agreements, and has not provided any security or guarantees in relation to the Senior Credit Facility.

Except as set out above, the Group's working capital shortfall will likely not affect any of its debt obligations.

In addition, the Group is currently working on refinancing its Senior Credit Facility with a new first lien senior debt backed by its Wyoming Assets, which is expected to include the ability to repatriate funds from COPL America operations after debt service costs for the Company's technical services contributed to the operation

of the Wyoming Assets (via repayment of portion of intercompany loan between COPL and COPL America through which \$41.3 million has been contributed by COPL since March 2021).

Consequently, the Company believes it will be better positioned to raise additional financing in the future by virtue of the facts set out above.

There are also some other options available to the Group, in case the additional financing is hard to obtained and/or it is not obtained when required:

- management can decide to reduce miscible flood injections that are currently forecasted at the cost of \$5.5 million for 2023;
- the Group can explore possible joint ventures, farm-in or other development financing opportunities; especially in respect of its Frontier sands at the Cole Creek Unit and BFDU assets;
- negotiate with creditors deferral of payments and/or settlement of accounts payable in Common Shares; and
- take steps to defer executives and senior staff salaries, to extend the working capital period.

**If all attempts to raise such additional capital (e.g. whether through future equity fundraisings, other financing and/or a corporate solution) were unsuccessful, it is likely that the Group would not be able to continue as a going concern.**

**The Company would likely look to restructure its affairs under the Companies' Creditors Arrangement Act, RSC 1985, c C-36 with the supervision of a court appointed monitor and court ordered protection against creditors similar to an administration process in the United Kingdom, under which the Company would obtain a Court order giving it protection from its creditors for an amount of time (initially 10 days followed by a larger stay period of up to 90 days) in order to arrange its affairs. The timing of any process would depend on the Company's view as to the point in time at which it was unable to obtain further financing or otherwise pay its debts as they became due, but as the Company has been able to reduce its general and administrative expenses, the Company anticipates that any appointment of a monitor, if required, would not occur until March 2023 at the earliest to coincide with any determination that a formal filing would be in the best interests of the Group.**

#### *Working Capital – proposed actions*

In December 2022, the Company announced a costless restructuring of its risk management contracts which resulted in \$8.0 million negative impact to COPL America's operating cash flow in 2022 and the restructuring is anticipated to provide COPL with exposure to current oil prices, cash inflows from its normal butane swaps and eliminate losses from oil risk management contracts in the first half of 2023 based on forward commodity prices as at the date of this Prospectus. The equity financings and issuance of the Bonds since the last prospectus of approximately \$43.2 million were used primarily to close the Cuda Acquisition, to continue development of its Wyoming Assets and satisfy working capital requirements. The Company's plan is to continue to invest in the development of its early life oil and gas properties in Wyoming, US and to commence the development of its recent conventional oil discovery spanning the Frontier and Dakota sands at Cole Creek and the BFDU Units, the timing of such development being dependent on available cash from operations. Changes in world crude oil and natural gas prices and production volumes of its Wyoming Assets may significantly affect the Company's results of operations, revenue and operating cash flow, the value of the Company's oil and gas properties, the Company's ability to obtain financing and a level of spending for oil and natural gas exploration and development.

The Company has also taken steps to reduce its expenditures outside of North America in 2022 and continues to evaluate further cost reductions measures in 2023 including staffing requirements, simplifying the Company's corporate structure and other general and administrative costs as it prepares for and works toward completion of refinancing its Senior Credit Facility. On refinancing of the Senior Credit Facility, the Company expects to be able to repatriate a portion of funds generated from the US operations to supplement ongoing costs of senior and technical staff via its intercompany loan arrangements, after debt servicing costs. As a result, the Directors expect the Company will be in an improved financial position and will be able to seek further financing that is necessary for the Company to be able to continue its operations.

## 18. SIGNIFICANT CHANGES SINCE 30 SEPTEMBER 2022

A1, 10.1  
A1, 10.2  
A1, 18.7.1

Significant changes in the financial position and financial performance of the Group since 30 September 2022, the date of which the Group's last unaudited condensed interim consolidated financial statements have been published, for the period ending the date of this Prospectus, include:

- On 21 December 2022, the Company signed new swap contracts that replaced remaining terms of prior contracts in place with respect to the sales of crude oil production and the purchase of butane used for the miscible flood program in the BFSU. This cost-less hedge restructuring unwinds the Company's positions in a manner that is expected to: (i) minimize near term hedge losses that have constrained the pace of development of the Wyoming Assets and (ii) provide the Group with increased exposure to WTI upside and stabilised operating cash flow in early 2023. It also provides for a level of revenue protection and maintains cost protection for butane injections.
- On 30 December 2022, the Company issued 20 additional 2025 Bonds with principal amount of \$4 million and 12,760,572 common share purchase warrants. See Section 9 (*Bonds*) of Part XIII.9.
- Subsequent to 26 July 2022 and as of the date of this Prospectus, further to conversion of the Bonds and settlement into Common Shares, the Company has issued 27,514,348 Common Shares.

## 19. CONSENT

Ryder Scott (in its capacity as an independent competent person) has given and not withdrawn their written consent to the inclusion in this Prospectus of its name and report effective 31 July 2022 and dated 2 September 2022, in Part XIV (*Reserves Report*), and references to its name and report in the form and context in which they appear and has authorised the contents of those parts of this Prospectus which comprise the report for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules and for the purposes of item 1.3 of Annex 1 of the UK Prospectus Delegated Regulation. In compliance with item 1.2 of Annex 1 of the UK Prospectus Delegated Regulation. Ryder Scott accepts responsibility for the Ryder Scott Report contained in Part XIV (*Reserves Report*). To the best of the knowledge of Ryder Scott, the information contained in the Ryder Scott Report is in accordance with the facts and the Ryder Scott Report contains no omissions likely to affect its import. Ryder Scott does not have any material interest in the Company.

A1, 1.1  
A1, 1.3  
A11, 1.3  
A22, 1.2  
TN, 133(i)(a)

## 20. GENERAL

The total expenses incurred (or to be incurred) by the Company in connection with the New Shares Admission is approximately £0.1 million (\$0.12 million). The transaction costs will be borne by the Company in full. No expenses will be charged to investors.

## 21. DOCUMENTS AVAILABLE FOR INSPECTION

A1, 21.1

Copies of the following documents will be available for inspection for a period of 12 months following the New Shares Admission on the Company's website at <http://www.canoverseas.com>:

- the Articles;
- the audited consolidated financial statements of the Company as of and for the years ended 31 December 2019, 2020 and 2021 (as well as the auditor's reports thereon);
- the unaudited interim financial statements of the Company as of and for the nine months ended 30 September 2022;
- the Ryder Scott Report which is set out in Part XIV (*Reserves Report*);
- Ryder Scott's consent letter, as referred to in Section 19 (*Consents*) above; and
- this Prospectus.

A21, 1.1

Dated: 31 January 2023

Part XX  
-  
**DEFINITIONS**

**In this Prospectus the following terms shall have the following meanings:**

<b>"2024 Bonds"</b>	63 convertible bonds at a principal face value of \$0.2 million per convertible bond for an aggregate principal face value of \$12.6 million maturing on 26 July 2024
<b>"2025 Bonds"</b>	83 convertible bonds at a principal face value of \$0.2 million per convertible bond for an aggregate principal face value of \$16.6 million maturing on 26 July 2025, issued pursuant to the July 2022 Placing and the Winter Bond Financing
<b>"2 July 2020 Placing"</b>	the non-brokered placing by the Company of an aggregate of 4,000,000 Common Shares at a price of £0.30 for aggregate gross proceeds of £1,000,000 announced on 23 June 2020 and 29 June 2020 that completed on 2 July 2020
<b>"2019 Placing Broker Warrants"</b>	together, the June 2019 Placing Broker Warrants and September 2019 Placing Broker Warrants
<b>"Anavio"</b>	Anavio Equity Capital Markets Master Fund Limited
<b>"AGM"</b>	annual general meeting
<b>"AIM"</b>	AIM, a market of that name operated by the London Stock Exchange
<b>"April 2014 Offer"</b>	the placing by the Company of 17,777,777 Common Shares at a price of £0.135 for gross proceeds of £2,400,000, which completed on 4 April 2014
<b>"April 2022 Placing"</b>	the Company completed a placement of 49,930,000 units at a price of £0.20 (\$0.26) per unit for gross proceeds of £10.0 million (\$12.8 million), with each unit comprising of one Common Share and one half of one common share warrant, each exercisable at £0.24 (\$0.31) per Common Share until 22 October 2022
<b>"April 2022 Placing Agreement"</b>	the placing agreement entered into by the Company with Hannam & Partners and Tennyson Securities in relation to the April 2022 Placing
<b>"Articles"</b>	the articles of incorporation of the Company, as amended from time to time
<b>"Atomic"</b>	Atomic Oil & Gas LLC, a limited liability company organized under the laws of Colorado
<b>"Atomic Acquisition"</b>	the acquisition by the Company from James W. Williams, Jr. of all of the issued and outstanding capital stock of Atomic, Pipeco and membership interests of SWP
<b>"Atomic Assets"</b>	the assets owned by Atomic, which hold operated interests in 52,258 acres (gross) of contiguous leasehold, located in Wyoming
<b>"Atomic Group"</b>	Atomic, SWP and Pipeco
<b>"Atomic Purchase Price"</b>	the aggregate consideration to be paid as stipulated in the Atomic SPA, being USD\$54 million, payable as to USD\$50 million in cash and USD\$4 million in COPL's Common Shares
<b>"Atomic SPA"</b>	the stock and membership interest purchase agreement entered into by the Company on 16 December 2020 with James W. Williams, Jr. (as amended on 31 December 2020 and 16 March 2021) pursuant to which, the Company agreed to purchase from James W. Williams, Jr. all of the issued and outstanding capital stock of Atomic and membership interests of SWP
<b>"Audit Committee"</b>	the audit committee of the Company
<b>"August 2014 Offer"</b>	the marketed short form prospectus offering by the Company in Canada of 50,550,000 units of the Company, each such unit consisting of one Common Share and one Common Share purchase warrant, at a price per unit of CAD 0.20 per unit for net aggregate proceeds of CAD \$9.2 million, which completed on 21 August 2014

<b>“August 2018 Placing”</b>	the placing by the Company of 895,523,000 Common Shares at a price of £0.00335 for gross proceeds of £3,000,000, which completed on 31 August 2018
<b>“ARO”</b>	Asset Retirement Obligation
<b>“ASX”</b>	the Australian Stock Exchange
<b>“Barron Flats Shannon Unit” or “BFSU”</b>	Barron Flats Shannon Unit in Wyoming, US
<b>“BFDU”</b>	Barron Flats Deep Federal Unit
<b>“BLM”</b>	the United States’ federal Bureau of Land Management
<b>“Block LB-13”</b>	Block LB-13 in the Liberian Basin offshore Liberia
<b>“Block PT5-B”</b>	Block PT5-B on the Mozambique coastal plain, 750km north of the capital of Maputo
<b>“Board”</b>	the board of directors of the Company from time to time
<b>“Bondholders”</b>	holders of the Bonds
<b>“Bonds”</b>	the 2024 Bonds and the 2025 Bonds
<b>“Canadian dollars” or “CAD”</b>	Canadian dollars, being the lawful currency from time to time of Canada
<b>“CBCA”</b>	the Canada Business Corporations Act
<b>“CEO”</b>	the Chief Executive Officer of the Company which, as of the date of this prospectus, is Arthur Millholland
<b>“CEO Loan”</b>	the CAD 200,000 loan provided by the Executive Director to the Company, secured pursuant to the terms of the General Security Agreement and repayable by the Company in accordance with the terms of the Promissory Note
<b>“Code”</b>	the US Internal Revenue Code of 1986
<b>“Cole Creek”</b>	Cole Creek property in Wyoming, US.
<b>“Common Shares”</b>	common shares of no par value in the capital of the Company
<b>“Company” or “COPL”</b>	Canadian Overseas Petroleum Limited
<b>“Company SEDAR Page”</b>	the Company’s SEDAR page, at <a href="http://www.sedar.com/DisplayProfile.do?lang=EN&amp;issuerType=03&amp;issuerNo=00021327">http://www.sedar.com/DisplayProfile.do?lang=EN&amp;issuerType=03&amp;issuerNo=00021327</a>
<b>“Conversion Payment”</b>	a payment due to a Bondholder upon conversion of their Bond
<b>“COPL America Holding”</b>	COPL America Holding Inc.
<b>“COPL America”</b>	COPL America Inc.
<b>“COPL Bermuda”</b>	Canadian Overseas Petroleum (Bermuda) Limited
<b>“COPL Bermuda Holdings”</b>	Canadian Overseas Petroleum (Bermuda Holdings) Limited
<b>“COPL Ontario”</b>	Canadian Overseas Petroleum (Ontario) Limited
<b>“COPL UK”</b>	Canadian Overseas Petroleum (UK) Limited
<b>“Credit Facility”</b>	the unsecured credit facility of up to £600,000 issued by YARF to the Company pursuant to the terms and conditions of the Loan Agreement

<b>“CREST”</b>	the computerised transfer and settlement system for the paperless settlement of trades in listed securities operated by Euroclear
<b>“CSE”</b>	the Canadian Securities Exchange
<b>“Cuda”</b>	Cuda Energy LLC
<b>“Cuda Acquisition”</b>	the acquisition by the Group of the Cuda Interests on 26 July 2022 for cash consideration of US\$19.15 million, plus estimated assumed liabilities of approximately US\$1.6 million
<b>“Cuda Interests”</b>	the Group’s interests in the BFSU, the BFDU, Cole Creek Unit and non-unitized lands previously owned by Cuda
<b>“December Finder’s Warrants”</b>	the 3,054,018 warrants granted to Ami Assets S.A. on 8 January 2021 by way of a finder’s fee, on the terms of a broker warrant instrument of the same date, each of which entitled the holder to subscribe for one Common Share at a price of £0.26 which expired on 8 January 2022
<b>“December 2020 Placing”</b>	the placing by the Company of a £6 million unit placing at the Initial Atomic Placing Price
<b>“December 2021 Placing”</b>	the placing by the Company of 28,435,000 Common Shares at a price of £0.20 (\$0.26) per share for gross proceeds of £5.7 million (\$7.5 million) on 3 December 2021
<b>“DPR”</b>	Department of Petroleum Resources
<b>“Essar Mauritius”</b>	Essar Exploration & Production Limited (Mauritius)
<b>“Initial Atomic Placing Price”</b>	£0.20 per Unit
<b>“Initial Atomic Placing Warrants”</b>	the warrants issued to placees pursuant to the Initial Atomic Placing
<b>“Deed Poll”</b>	the deed poll relating to the holding of Common Shares and the issue of the Depositary Interests, dated 12 March 2014, and made by the Depositary
<b>“Depositary”</b>	Computershare Investor Services PLC, of The Pavilions, Bridgewater Road, Bristol, BS99 6ZZ, United Kingdom
<b>“Depositary Agreement”</b>	the depositary agreement relating to the issue of the Depositary Interests, dated 12 March 2014, and entered into between the Company and the Depositary
<b>“Depositary Interests”</b>	dematerialised depositary interests representing entitlements to Common Shares issued by the Depositary
<b>“Directors”</b>	the directors of the Company whose names are listed on page 28 of this Prospectus, comprising the Executive Director and the Non-Executive Directors
<b>“Disclosure and Transparency Rules”</b>	the disclosure rules and transparency rules made by the FCA under Part VI of FSMA
<b>“EITI”</b>	the Extractive Industries Transparency Initiative
<b>“ENI”</b>	ENI S.p.A.
<b>“Essar Nigeria”</b>	Essar Exploration and Production Limited (Nigeria)
<b>“Essar Nigeria Shareholders Agreement”</b>	the shareholder’s agreement described in Section Part VIII5.2(c) ( <i>OPL 226 – Settlement Transaction</i> ) of Part VIII ( <i>Information on the Group</i> )
<b>“Essar Transaction”</b>	together, the OPL 226 Transaction and Settlement Transaction
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited

<b>“European Union” or “EU”</b>	an economic and political union of 27 member states which are located primarily in Europe
<b>“Executive Director”</b>	Arthur Millholland
<b>“Existing Shareholders”</b>	the holders of Common Shares as at the date of this Prospectus
<b>“FCA”</b>	the United Kingdom Financial Conduct Authority
<b>“First Tranche Offering”</b>	the non-brokered private placement offering carried out by the Company in 2016 which closed on 28 April 2016
<b>“First Tranche Offering Warrants”</b>	the 228,571 share purchase warrants created and issued by the Company in connection with the First Tranche Offering
<b>“FSMA”</b>	the Financial Services and Markets Act 2000, as amended
<b>“General Security Agreement”</b>	the general security agreement dated 14 February 2020 between the Executive Director and the Company
<b>“Group”</b>	the Company and each of its subsidiaries and subsidiary undertakings and references to a “member of the Group” shall be construed accordingly
<b>“Hannam &amp; Partners”</b>	H&P Advisory Limited
<b>“HMRC”</b>	HM Revenue & Customs
<b>“IFRS”</b>	International Financial Reporting Standards, as issued by the International Accounting Standards Board
<b>“Initial Atomic Placing”</b>	the December 2020 Placing and the Subsequent Fundraise for a total of 44,425,000 Units at £0.20 for gross proceeds of £8.9 million, which completed during the first quarter of 2021
<b>“ISIN”</b>	International Securities Identification Number
<b>“Issued 2016 First Tranche Offering Warrant Shares”</b>	the 82,521 Common Shares for proceeds of \$0.5 million issued by the Company during third and fourth quarter of 2016, further to an exercise of First Tranche Offering Warrants
<b>“Issued 2016 Second Tranche Offering Warrant Shares”</b>	the 20,500 Common Shares for proceeds of \$0.147 million issued by the Company during third and fourth quarter of 2016, further to an exercise of Second Tranche Offering Warrants
<b>“July 2015 Placing”</b>	the marketed short form prospectus offering by the Company in Canada of 802,886 units of the Company, each such unit consisting of one Common Share and one Common Share purchase warrant, at a price per unit of CAD 0.90 per unit for gross aggregate proceeds of CAD 7.2 million, which completed on 9 July 2015
<b>“July 2022 Placing”</b>	the issue by the Company of 54,792,590 warrants and 63 2024 Bonds and 63 2025 Bonds with an aggregate principal amount of US\$25.2 million
<b>“June 2017 Placing”</b>	the placing by the Company of 6,560,000 Common Shares at a price of £0.50 for gross proceeds of £3,280,000, which completed on 12 June 2017
<b>“June 2019 Placing”</b>	the placing by the Company of an aggregate of 4,970,000 Common Shares, in two tranches at a price of for aggregate gross proceeds of £497,000 that completed on 28 May 2019 and 5 June 2019, respectively
<b>“June 2019 Placing Broker Warrants”</b>	the 49,700 share purchase warrants granted to Tennyson Securities on 5 June 2019 on the terms of a broker warrant instrument of the same date, as compensation warrants, in an amount equal to 1.0% of the aggregate number of Common Shares issued pursuant to the June 2019 Placing
<b>“June 2020 Prospectus”</b>	the Company’s prospectus dated 26 June 2020



<b>“Lender”</b>	the US based global investment firm which has granted the Senior Credit Facility to the COPL America
<b>“Lender Warrant Agreement”</b>	the warrant agreement dated 16 March 2021 in connection with the Senior Credit Facility
<b>“Lender Warrants”</b>	the six warrants issued to the Lender pursuant to the Lender Warrant Agreement, as amended by the terms of the Waivers
<b>“Liberia”</b>	the Republic of Liberia
<b>“Listing Rules”</b>	the listing rules of the FCA relating to the admission of securities to the Official List
<b>“Loan Agreement”</b>	the agreement governing the terms of the YARF Loan dated 15 June 2020
<b>“London Stock Exchange” or “LSE”</b>	the London Stock Exchange plc
<b>“March 2021 Placing”</b>	the brokered placing by the Company of an aggregate of 41,715,625 Common Shares at a price of £0.32 for aggregate gross proceeds of £13.3 million that completed on 11 March 2021
<b>“March 2021 Placing Agreement”</b>	the placement agent agreement dated 8 March 2021 between the Company and Tennyson Securities
<b>“New Shares”</b>	together, the Common Shares to be admitted to the standard listing segment of the Official List maintained by the FCA, and to the London Stock Exchange’s main market for listed securities pursuant to the December 2021 Placing, the April 2022 Placing and the Common Shares issued pursuant to the conversion of certain Bonds
<b>“New Shares Admission”</b>	admission of all of the New Shares to the standard listing segment of the Official List maintained by the FCA, and to the London Stock Exchange’s main market for listed securities
<b>“NI 51-101”</b>	National Instrument 51-101, <i>Standards of Disclosure for Oil and Gas Activities</i> of the Canadian Securities Administrators
<b>“NI 51-102”</b>	National Instrument 51-102, <i>Continuous Disclosure Obligations</i> of the Canadian Securities Administrators
<b>“NI 52-110”</b>	National Instrument 52-110, <i>Audit Committees</i> of the Canadian Securities Administrators.
<b>“NI 58-101”</b>	National Instrument 58-101, <i>Disclosure of Corporate Governance Practices</i> of the Canadian Securities Administrators
<b>“NI 58-201”</b>	National Instrument 58-201, <i>Corporate Governance Guidelines</i> of the Canadian Securities Administrators
<b>“NNPC”</b>	the Nigerian National Petroleum Corporation
<b>“Non-Executive Directors”</b>	Harald Ludwig, Massimo Carello, John Cowan and Robert Chenery
<b>“NYMEX”</b>	New York Mercantile Exchange
<b>“NYSE”</b>	New York Stock Exchange
<b>“October 2017 Placing”</b>	the placing by the Company of 2,500,000 Common Shares at a price of £0.10 for gross proceeds of £2,500,000, which completed on 16 October 2017
<b>“Official List”</b>	the Official List maintained by the FCA
<b>“Oilexco”</b>	Oilexco Incorporated
<b>“OPL 226”</b>	Oil Prospecting License block 226 in Nigeria

<b>“OPL 226 Transaction”</b>	the acquisition of 80% of Essar Nigeria shares by ShoreCan on 13 September 2016
<b>“Options”</b>	the 18,020,796 stock options to purchase Common Shares of the Company, which have been granted pursuant to the Stock Option Plan but not exercised as at 31 December 2022
<b>“Performance Bond”</b>	the \$7 million performance bond to be delivered by Essar Nigeria, required further to the PSC, to cover the Phase-1 exploration period work program at OPL226
<b>“Pipeco”</b>	Pipeco LLC, a limited liability company organized under the laws of Wyoming
<b>“pounds sterling” “GBP” or “£”</b>	pounds sterling, being the lawful currency of the United Kingdom
<b>“PPP Note”</b>	an unsecured promissory note in the amount of \$0.3 million under the Paycheck Protection Program entered into by SWP on 14 April 2020
<b>“Preferred Shares”</b>	preferred shares of no par value in the capital of the Company
<b>“Promissory Note”</b>	the promissory note dated 14 February 2020 and entered into between the Company and Arthur Millholland, as varied by the terms of the Loan Agreement
<b>“Prospectus”</b>	this document
<b>“Prospectus Regulation Rules”</b>	the prospectus regulation rules made by the FCA under section 73A of FSMA
<b>“RBL”</b>	reserve based loan facility
<b>“Registrar”</b>	Computershare Trust Company of Canada, of Suite 600, 530 – 8 <sup>th</sup> Avenue S.W., Calgary, Alberta, Canada T2P 3S8
<b>“Reporting Period”</b>	the 291 day period beginning from the closing of the Atomic Acquisition and ending 31 December 2021
<b>“Ryder Scott”</b>	Independent Qualified Reserve Evaluator Ryder Scott Company Petroleum Consultants LLC
<b>“Ryder Scott Report”</b>	“Estimated Future Reserves and Income Attributable to Certain Leasehold Interests and Escalated Parameters as of July 31, 2022” prepared by Ryder Scott and dated 2 September 2022
<b>“SBA”</b>	the US Small Business Administration
<b>“SDRT”</b>	Stamp Duty Reserve Tax
<b>“Second Tranche Offering”</b>	the brokered private placement offering carried out by the Company in 2016 which closed on 3 May 2016
<b>“Second Tranche Offering Warrants”</b>	the 990,168 share purchase warrants created and issued by the Company in connection with the Second Tranche Offering
<b>“SEDI”</b>	System for Electronic Disclosure by Insiders
<b>“SEDOL”</b>	Stock Exchange Daily Official List
<b>“Seller”</b>	James William
<b>“Senior Credit Facility”</b>	the credit facility provided by the Lender to COPL America pursuant to the Senior Credit Facility Agreement
<b>“Senior Credit Facility Agreement”</b>	the term loan agreement dated 16 March 2021 between COPL America Holding, COPL America, ABC Funding LLC and the Lender
<b>“Senior Management”</b>	Arthur Millholland, Rod Christensen, Richard Mays and Ryan Gaffney

<b>“September 2019 Placing”</b>	the placing by the Company of 5,000,000 Common Shares at a price of £0.10 for gross proceeds of £500,000, which completed on 4 September 2019
<b>“September 2019 Placing Broker Warrants”</b>	the 50,000 share purchase warrants issued to Tennyson Securities as compensation warrants in an amount equal to 6.0% of the aggregate number of Common Shares issued pursuant to the September 2019 Placing
<b>“Settlement Agreement”</b>	the agreement dated 4 August 2020 between ShoreCan and Essar Mauritius which settled the claim filed by Essar Mauritius against ShoreCan in the High Court of Justice of England and Wales
<b>“Settlement Transaction”</b>	the entry by ShoreCan and Essar Mauritius into various conditional agreements set out in Section Part VIII5.2(c) of Part VIII ( <i>Information on the Group</i> ) of this Prospectus concerning, among other things, their respective obligations under the Essar Nigeria Shareholders Agreement
<b>“Share Consolidation”</b>	the consolidation of 16,426,953,124 Common Shares, being all of the issued and outstanding Common Shares of the Company as of 1 October 2021, on the basis of every one hundred (100) pre-consolidation Common Shares being consolidated into one (1) post-consolidation Common Share, effective as of 1 October 2021
<b>“Shareholder”</b>	a holder of Common Shares from time to time
<b>“Shore”</b>	Shore Capital Stockbrokers Limited
<b>“ShoreCan”</b>	Shoreline Canoverseas Petroleum Development Corporation Limited, the joint venture partnership in which the Company and Shoreline each hold a 50% interest
<b>“Shoreline”</b>	Shoreline Energy International Limited, a corporation that has entered into a joint venture partnership with the Company
<b>“Shore Placees”</b>	the subscribers of the £500,000 proceeds from the Subsequent Fundraise that were sourced by Shore
<b>“Stock Option Plan”</b>	the stock option plan of the Company (as described in section 7 of Part XIX of this Prospectus)
<b>“Subsequent Fundraise”</b>	the placings by the Company completed in the first quarter of 2021
<b>“Subsequent July 2020 Private Placement”</b>	the unbrokered placing by the Company of an aggregate of 4,333,333 Common Shares at a price of £0.30 for aggregate gross proceeds of £1,300,000 announced on 20 July 2020 that completed on 23 July 2020
<b>“SWP”</b>	Southwestern Production Corp.
<b>“Tennyson Brokerage Agreement”</b>	the brokerage agreement with an effective date of 1 January 2021 between the Company and Tennyson, which outlines the appointment of Tennyson Securities as non-exclusive broker to the Company for a minimum period of 12 months
<b>“Tennyson Securities”</b>	Shard Capital Partners LLP, trading as Tennyson Securities
<b>“TSX”</b>	Toronto Stock Exchange
<b>“TSX-V”</b>	TSX Venture Exchange, the junior market of the TSX
<b>“UOA”</b>	a contract where two or more parties agree to undertake a common task to explore and exploit an area for hydrocarbons
<b>“UK Prospectus Delegated Regulation”</b>	Regulation (EU) 2019/980 of the European Parliament and Council of 14 March 2019 (as amended) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time
<b>“UK Prospectus Regulation”</b>	Regulation (EU) 2017/1129 of the European Parliament and Council of 14 June 2017, (as amended), as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time

<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“Unit” or “Units”</b>	units each comprising of one Common Share and one half of one common share purchase warrant to subscribe for one half Common Share each at the Unit Warrant Price at the Initial Atomic Placing Price
<b>“Unit Warrants”</b>	the 22,212,500 warrants granted pursuant to the Initial Atomic Placing, each of which is exercisable at £0.26 (\$0.35) per share on or before 8 January 2022
<b>“Unit Warrant Price”</b>	£0.26
<b>“US” or “United States”</b>	the United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia
<b>“USD”, “\$”, or “US dollars”</b>	United States dollars, being the lawful currency of the United States
<b>“USGS”</b>	United States Geological Society
<b>“VAT”</b>	United Kingdom value added tax
<b>“Waivers”</b>	the third amendment and limited waiver dated 31 March 2022 to the Senior Credit Facility Agreement, the fourth amendment and limited waiver dated 30 June 2022 to the Senior Credit Facility Agreement, the limited waiver dated 30 September 2022 to the Senior Credit Facility and the fifth amendment and limited waiver dated 30 December 2022 to the Senior Credit Facility Agreement
<b>“Warrants”</b>	the 72,175,362 common share purchase warrants of the Company, including the warrants issued to, brokers in respect of the March 2021 Placing and the April 2022 Placing; and the warrants issued to Bondholders pursuant to the July 2022 Placing and the Winter Bond Financing, that are issued and outstanding as at the date of this Prospectus, each such warrant entitling the holder thereof to purchase one Common Share at a specified exercise price prior to the specified expiry date
<b>“West African Transform Margin”</b>	the emerging formation for offshore oil and gas exploration located offshore West Africa
<b>“Winter Bond Financing”</b>	the issuance of 20 2025 Bonds in the principal amount of US\$4 million and 12,760,572 common share purchase warrants to Anavio on 30 December 2022
<b>“WOGCC”</b>	Wyoming Oil and Gas Conservation Commission
<b>“Wyoming Assets”</b>	the oil and gas assets acquired pursuant to the Atomic Acquisition and the Cuda Acquisition
<b>“YARF”</b>	Riverfort Global Opportunities PCC Limited and YA II PN, Ltd
<b>“YARF Loan”</b>	the unsecured loan of up to £600,000 lent to the company by YARF pursuant to the terms and conditions of the Loan Agreement
<b>“YARF Warrants”</b>	the 1,000,000 warrants granted to RiverFort Global Opportunities PCC Limited and YA II PN, Ltd on 23 June 2020 each of which entitled the holder to purchase one Common Share for 24 months from 2 July 2020 at an exercise price of £0.39 per YARF Warrant

**GLOSSARY OF TECHNICAL TERMS**

<b>2D seismic</b>	seismic data acquired in a single traverse or series of traverses. 2D seismic data provides single cross sections through the subsurface
<b>3D seismic</b>	seismic data acquired as multiple, closely spaced traverses. 3D seismic data typically provides a more detailed and accurate image of the subsurface than 2D seismic data
<b>2P</b>	Proved Reserves plus Probable Reserves
<b>aeromagnetic data</b>	measurements of the Earth's magnetic field gathered from an aerial survey which is interpreted in order to determine differences between the measured and theoretical values which represent changes in rock type or thickness
<b>aeromagnetic survey</b>	an aerial survey of an area performed to collect aeromagnetic data
<b>Albian</b>	the youngest age of the Early Cretaceous epoch. Its approximate time range is 112.0 to 99.6 million years ago
<b>AMI agreement</b>	An area of mutual interest (AMI) agreement is a pact between two or more oil or natural gas companies. An AMI agreement covers a defined geographic location for a defined period of time. AMI agreements will also spell out the role of each party, their percentage ownership, and how contract provisions are to be implemented
<b>amplitude</b>	functions of the magnitude of the difference between the variable's extreme values
<b>anoxic</b>	without or lacking in oxygen
<b>API</b>	an indication of the specific density of crude oil measured on the American Petroleum Institute scale
<b>Aptian</b>	a subdivision of the Early Cretaceous epoch. Its approximate time range is 125.0 to 112.0 million years ago
<b>AVO</b>	amplitude versus offset, a general term for referring to the dependency of the seismic attribute, amplitude, with the distance between the source and receiver (offset)
<b>basin</b>	a large area with a general containment and an often thick accumulation of rock
<b>bcf</b>	billion cubic feet
<b>bbl</b>	barrel, representing 34,972 Imperial gallons or 42 US gallons barrels per day
<b>bbls/d or bopd</b>	barrels per day or barrels of oil per day
<b>Best Estimate</b>	this is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate
<b>block</b>	term commonly used to describe areas over which there is a petroleum or production licence or production sharing contract
<b>bwpd</b>	barrels of water per day
<b>Campanian</b>	the fifth of six ages of the late Cretaceous epoch. Its approximate time range is 83.6 to 72.1 million years ago
<b>carry</b>	agreement between two parties according to which one of the two agrees to pay for ("carry") all or part of the costs attributable to the other, typically conditional on later reimbursement by the latter to the former
<b>Cenomanian</b>	the oldest age of the Late Cretaceous epoch. Its approximate time range is between 99.6 and 93.5 million years ago
<b>concession</b>	a grant extended by a government to permit a company to explore for and produce oil, gas or mineral resources within a geographic area
<b>condensate</b>	hydrocarbons which are in the gaseous state under reservoir conditions and which become liquid when temperature or pressure is reduced

<b>contingent resources</b>	those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not considered commercially recoverable because of one or more contingencies
<b>Cretaceous</b>	the final epoch of the Mesozoic era ranging from approximately 144 to 66 million years ago
<b>deepwater</b>	any area of water over 250 m in depth
<b>E&amp;E</b>	exploration and evaluation
<b>E&amp;P</b>	exploration and production
<b>EIA</b>	The US Energy Information Administration (EIA) is the statistical agency of the Department of Energy. It provides policy-independent data, forecasts, and analyses to promote sound policy making, efficient markets, and public understanding regarding energy, and its interaction with the economy and the environment
<b>farm in</b>	a term used to describe when an oil and gas company buys a portion of the acreage in a block from another company, usually in return for consideration and for taking on a portion of the selling company's work commitments
<b>farm out</b>	a term used to describe when an oil and gas company sells a portion of the acreage in a block to another company, usually in return for consideration and for the buying company taking on a portion of the selling company's work commitments
<b>FPSO</b>	a floating production, storage and offloading unit which is a vessel used for processing hydrocarbons
<b>fracking</b>	a process of drilling down into the earth then directing a high-pressure water mixture into a rock to release the gas inside. Water, sand and chemicals are injected into the rock at high pressure which allows the gas to flow out to the head of the well
<b>G&amp;A</b>	general and administrative expense
<b>gas chimney</b>	a subsurface leakage of gas from a poorly sealed hydrocarbon accumulation, which can cause overlying rocks to have a low velocity. Gas chimneys are visible in seismic data in areas of poor data quality or push-downs
<b>geophysical</b>	association with the earth science concerned with the physical properties. Geophysical exploration is concerned with measuring the earth's physical properties to delineate structure, rock type and fluid content; these measurements include electrical, seismic, gravity and magnetism
<b>High Estimate</b>	this is considered to be an optimistic estimate of the quantity that will actually be recovered. It is unlikely that the actual remaining quantities recovered will exceed the high estimate. If probabilistic methods are used, there should be at least a 10 percent probability (P10) that the quantities actually recovered will equal or exceed the high estimate.
<b>hydrocarbon</b>	a compound containing only the elements hydrogen and carbon, which may exist as a solid, liquid or gas. The term is mainly used as a catch-all description for oil, gas and condensate
<b>lacustrine</b>	of or pertaining to a lake
<b>LIBOR</b>	London Inter-bank Offered Rate
<b>licence</b>	an exclusive right to explore for petroleum, usually granted by a national governing body
<b>light oil</b>	crude oil with a density greater than 31.1° API
<b>Low Estimate</b>	this is considered to be a conservative estimate of the quantity that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate. If probabilistic methods are used, there should be at least a 90 percent probability (P90) that the quantities actually recovered will equal or exceed the low estimate
<b>JOA</b>	joint operating agreement
<b>km</b>	kilometre
<b>m</b>	metre
<b>Mcf</b>	one thousand cubic feet
<b>Mcfd</b>	one thousand cubic feet per day

<b>md</b>	millidarcy, a unit of permeability
<b>Mesozoic</b>	an interval of geological time from approximately 252 to 66 million years ago
<b>migration</b>	the process by which oil and gas moves from source to reservoir
<b>Mbbls</b>	thousands of barrels
<b>MMbbls</b>	millions of barrels
<b>MMcf</b>	millions of cubic feet
<b>offshore</b>	that geographic area that lies seaward of the coastline
<b>onshore</b>	that geographic area that lies landward of the coastline
<b>OPEC</b>	the Organization of Petroleum Exporting Countries
<b>operator</b>	the company that has legal authority to drill wells and undertake production of oil and gas. The operator is often part of a consortium and acts on behalf of this consortium
<b>P10</b>	a minimum of a 10% probability that, assuming the prospect is discovered and developed, the quantities actually recovered will equal or exceed the high estimate
<b>P45 to P15</b>	the mean estimate. Means the probability of a prospect or accumulation containing the probability-weighted average volume or greater is usually between 45 and 15%. The mean estimate is the preferred probabilistic estimate of resources volumes.
<b>P50</b>	the best (median) estimate. Means that there is at least a 50% probability that, assuming the prospect is discovered and developed, the quantities actually recovered will equal or exceed the best estimate
<b>P90</b>	means that there is at least a 90% probability that, assuming the prospect is discovered and developed, the quantities actually recovered will equal or exceed the low estimate.
<b>Paleogene</b>	a geologic period and system that lasted from approximately 66 to 23 million years ago
<b>Paleocene</b>	a geologic epoch that lasted from approximately 66 to 56 million years ago
<b>Paleo-temperature</b>	the temperature at a location in the geologic past
<b>petroleum system</b>	geologic components and processes necessary to generate and store hydrocarbons. including a mature source rock, migration pathway, reservoir rock, trap and seal
<b>Pd</b>	the probability of development. Pd is defined as the probability that a given discovery will be a viable development project. It takes into account the chance that the discovery target zone will flow the predicted hydrocarbon phase(s) at a commercial rate. It also considers the chance that the target zone can be mechanically completed and appraised in a reasonable time and in compliance with the projected cost schedule. The Pd is estimated by the quantification and product of these two factors
<b>Pg</b>	the probability of discovering reservoirs that flow petroleum at a measurable rate. Pg is estimated by quantifying the probability of each of the following individual geologic chance factors: trap, source, reservoir, and migration. The product of these four probabilities or chance factors is Pg
<b>Probable Reserves</b>	those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.
<b>prospect</b>	a potential accumulation that is sufficiently well defined to be a viable drilling target. For a prospect, sufficient data and analyses exist to identify and quantify the technical uncertainties, to determine reasonable ranges of geologic chance factors and engineering and petrophysical parameters, and to estimate prospective resources
<b>Prospective Resources</b>	those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of discovery and chance of development
<b>Proved Reserves</b>	those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves

<b>PSC</b>	a production sharing contract, under which for example the contractor agrees to fund and carry out pre-agreed work programmes on behalf of the concession owner in return for a share of production revenues
<b>pseudo-well</b>	a methodology with the aim of simulating, from available wells, seismic data representative of a given geological setting
<b>psi</b>	pounds per square inch
<b>reservoir</b>	a porous and permeable subsurface rock formation that contains a separate accumulation of petroleum that is confined by impermeable rock or water barriers and is characterised by a single pressure system where oil and gas has accumulated
<b>resources</b>	a general term that may refer to all or a portion of total resources rest of block
<b>RoB</b>	Rest of block
<b>royalty</b>	a percentage share of production, or the value derived from production, paid from a producing well
<b>Scf/bbl</b>	standard cubic feet per barrel
<b>seal</b>	a relatively impermeable rock, commonly shale, anhydrite or salt, that forms a barrier or cap above and around reservoir rock such that fluids cannot migrate beyond the reservoir. A seal is a critical component of a complete petroleum system
<b>seismic</b>	a survey method by which an image of the earth's subsurface is created through the generation of shockwaves and analysis of their reflection from rock strata
<b>shot</b>	the process of gathering seismic data
<b>source</b>	characteristic of organic-rich rocks to contain the precursors to oil and gas, such that the type and quality of expelled hydrocarbon can be assessed
<b>spud</b>	to start the well drilling process by removing rock, dirt and other sedimentary material with the drill bit
<b>Sq. km</b>	square kilometres
<b>strike</b>	the horizontal or compass direction of a stratum, fault or other geological feature
<b>strike-slip</b>	a fault in which the major displacement is parallel to the strike of a vertical or sub vertical fault plane
<b>sweet crude</b>	a type of oil that meets certain content requirements, including low levels of hydrogen sulphide and carbon dioxide
<b>tie-back</b>	the connection of additional risers to a floating vessel or platform
<b>tight oil</b>	conventional oil that is found within reservoirs with very low permeability
<b>TOC</b>	total organic carbon
<b>trap</b>	a configuration of rocks suitable for containing hydrocarbons and sealed by a relatively impermeable formation through which hydrocarbons will not migrate. Traps are described as structural traps (in deformed strata such as folds and faults) or stratigraphic traps (in areas where rock types change, such as unconformities, pinch outs and reefs)
<b>transpressional</b>	a tectonic regime which combines both transcurrent strike-slip movement with oblique compression
<b>transtensional</b>	a tectonic regime which combines both transcurrent strike-slip movement with oblique extension
<b>turonian</b>	the second age in the Late Cretaceous epoch, spanning the time between approximately 93.5 and 89.3 million years ago
<b>turbidite</b>	the geologic deposit of a turbidity current, a type of sediment gravity flow responsible for distributing sediment into the deep ocean
<b>UK Brent Standard</b>	a benchmark crude oil from the UK North Sea against which other crude oils are priced. It is widely used as an indicator of the price of oil beyond energy markets. It is traded on forward markets and is the basis of futures and options contracts listed on the International Petroleum Exchange in London
<b>UKCS</b>	UK continental shelf



<b>ultra-deepwater</b>	referring to any water over 1,000 m in depth
<b>unconventional resource</b>	hydrocarbon from unconventional and more difficult to produce resources such as shale gas, shale oil, heavy and viscous oil, hydrates, tight gas, etc.
<b>WTI</b>	West Texas Intermediate