

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the contents of this document or the action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised pursuant to the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

The Company and the Directors whose names appear on page 17 of this document, accept individual and collective responsibility for the information contained in this document including individual and collective responsibility for compliance with the AIM Rules. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Application has been made for the Enlarged Share Capital to be admitted to trading on the London Stock Exchange's AIM market. It is expected that trading in the Ordinary Shares will commence on AIM on 28 August 2020. **AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this document.**

A copy of this document, which comprises an admission document drawn up in accordance with the AIM Rules for Companies, has been issued in connection with the application for admission to trading of the Enlarged Share Capital. This document does not comprise a prospectus for the purpose of the FSMA and the Prospectus Rules of the FCA and has not been pre-approved by the FCA pursuant to section 85 of FSMA. This document constitutes a financial promotion and has been approved by Mirabaud Securities Limited (authorised and regulated in the United Kingdom by the FCA) for issue as such in the United Kingdom for the purposes for Section 21 of FSMA.

The whole of this document should be read. Your attention is particularly drawn to the Risk Factors set out in Part III of this document. All statements regarding the Company's business, financial position and prospects should be viewed in light of these Risk Factors.



i3 ENERGY

i3 Energy plc

(Incorporated in England and Wales under the Companies Act 2006 with registered number 10699593)

**Proposed acquisition of certain oil and gas assets owned by Gain Energy Ltd.
Placing, Subscription and Primary Bid offer for 581,147,255 new Ordinary Shares
at 5 pence per Ordinary Share
Application for Re-Admission to trading on AIM of 688,866,655 Ordinary Shares and
Notice of General Meeting**



*Nominated Adviser and
Joint Broker*



Joint Broker



Joint Broker

WH Ireland Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and joint broker to the Company. Its responsibilities as the Company's nominated adviser and joint broker under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of their decision to acquire shares in the Company in reliance on any part of this document. No representation or warranty, expressed or implied, is made by WH Ireland Limited as to any of the contents of this document. WH Ireland Limited will not be offering advice and will not otherwise be responsible for providing customer protections to recipients of this document or for advising them on the contents of this document or any other matter.

Canaccord Genuity, which is a member of the London Stock Exchange and which is authorised and regulated in the United Kingdom by the FCA, is acting as joint broker to the Company in connection with the Placing and is advising no one else in relation to the Placing and will not be responsible to any person other than the Company for providing the protections afforded to its clients or for advising any other person in relation to the Placing or otherwise. Mirabaud Securities, which is a member of the London Stock Exchange and which is authorised and regulated in the United Kingdom by the FCA, is acting as joint broker to the Company in connection with the Placing and is advising no one else in relation to the Placing and will not be responsible to any person other than the Company for providing the protections afforded to its clients or for advising any other person in relation to the Placing or otherwise.

The distribution of this document outside the UK may be restricted by law and therefore any persons outside the UK into whose possession this document comes should inform themselves about and observe any such restrictions as to the Ordinary Shares and the distribution of this document. Any failure to comply with such restrictions may constitute a violation of the securities laws of any jurisdiction outside of the UK. This document does not constitute an offer to sell or the solicitation of an offer to buy shares in any jurisdiction in which such offer is unlawful. In particular, this document is not for distribution, directly or indirectly, in or into the United States, Canada, Australia, Japan, the Republic of Ireland, or the Republic of South Africa or the United States or to any national, resident or citizen of the United States, Canada, Australia, Japan, the Republic of Ireland, or the Republic of South Africa. or the United States.

The Ordinary Shares have not been and will not be registered under the securities legislation of any province or territory of the United States, Canada, Australia, Japan, or the Republic of South Africa. Accordingly, the Ordinary Shares may not, subject to certain exceptions, be offered or sold, directly or indirectly, in or into the United States, Canada, Australia, Japan, the Republic of Ireland, the Republic of South Africa or to any national, citizen or resident of the United States, Canada, Australia, Japan, the Republic of Ireland, or the Republic of South Africa.

The Placing and Subscription is conditional, *inter alia*, on Admission taking place by 8.00 a.m. on 28 August 2020 (or such later date as the Company, WH Ireland, Canaccord Genuity and Mirabaud Securities may agree, being not later than 11 September 2020). The Placing Shares and Subscription Shares will, upon Admission, rank *pari passu* in all respects and will rank in full for all dividends and other distributions declared paid or made in respect of the Ordinary Shares after Admission. It is emphasised that no application is being made for the Ordinary Shares to be admitted to the Official List or to any other recognised investment exchange.

Copies of this document will be available for collection, free of charge, from WH Ireland Limited of 24 Martin Lane, London, EC4R 0DR for one month from the date of this document. No person has been authorised to give any information or to make any representation about the Company and about the matters the subject of this document other than those contained in this document. If any such information or representation is given or made then it must not be relied upon as having been so authorised. The delivery of this document shall not imply that no change has occurred in the Company's affairs since the date of issue of this document or that the information in this document is correct as at any time after the date of this document, save as shall be required to be updated by law or regulation.

IMPORTANT INFORMATION

The information below is for general guidance only and it is the responsibility of any person or persons in possession of this document to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. No person has been authorised by the Company to issue any advertisement or to give any information or to make any representation in connection with the contents of this document and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company.

Prospective investors should inform themselves as to: (a) the legal requirements of their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein. Statements made in this document are based on the law and practice currently in force in the UK and are subject to change. This document should be read in its entirety. All holders of Ordinary Shares are entitled to the benefit of, and are bound by and are deemed to have notice of, the provisions of the Articles of Association of the Company.

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Fundraising Shares have been subject to a product approval process, which has determined that the Fundraising Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, placees should note that: the price of the Fundraising Shares may decline and investors could lose all or part of their investment; Fundraising Shares offer no guaranteed income and no capital protection; and an investment in the Fundraising Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Fundraising. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Brokers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to Fundraising Shares.

FORWARD LOOKING STATEMENTS

All statements other than statements of historical fact, contained in this document constitute 'forward looking statements'. In some cases forward looking statements can be identified by terms such as 'may', 'intend', 'might', 'will', 'should', 'could', 'would', 'believe', 'forecast', 'anticipate', 'expect', 'estimate', 'predict', 'project', 'potential', or the negative of these terms, and similar expressions. Such forward looking statements are based on assumptions and estimates and involve risks, uncertainties and other factors which may cause the actual results, financial condition, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Except as required by the AIM Rules for Companies, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. New factors may emerge from time to time that could cause the Company's business not to develop as it expects, and it is not possible for the Company to predict all such factors. Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements except as required by law.

It should be remembered that the price of securities and the income from them can go down as well as up and this Admission Document contains references to past performance of the Company and its subsidiaries. Past performance is not a reliable indicator of future results.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication date of this Admission Document	11 August 2020
Latest time and date for receipt of Forms of Proxy	1pm on 25 August 2020
Time and date of General Meeting	1pm on 27 August 2020
Completion of the Gain Transaction	on or around 2 September 2020
Admission effective and dealings in the Enlarged Share Capital expected to commence on AIM	8am on 28 August 2020
CREST accounts (for uncertificated holders (where applicable)) expected to be credited with the Fundraising Shares	on 28 August 2020
Definitive share certificates (for certificated holders (where applicable)) for the Fundraising Shares	on or around 11 September 2020

Notes:

- 1. All of the above timings refer to London time unless otherwise stated.*
- 2. Each of the times and dates above is subject to change. Any such change will be notified by an announcement on a Regulatory Information Service (as defined in the AIM Rules for Companies).*
- 3. The times and dates above assume the passing of the Resolutions at the General Meeting, Completion of the Gain Transaction and completion of the Fundraising and Admission.*
- 4. Events listed in the above timetable following the General Meeting are conditional on the passing at the General Meeting of certain of the Resolutions.*

ADMISSION AND ACQUISITION STATISTICS

Existing Ordinary Shares	107,719,400
Total number of Placing Shares at the Issue Price	376,996,326
Total number of Subscription Shares at the Issue Price	188,500,000
Total number of PrimaryBid Shares at the Issue Price	12,650,929
Total number of Bybrook Fee Shares	3,000,000
Total number of Bybrook Further Subscription Shares	18,852,745
Issue Price	5 pence
Enlarged Share Capital on Admission	688,866,655
Fundraising Shares expressed as a percentage of the Enlarged Share Capital	84.36 per cent.
Gross proceeds receivable by the Company pursuant to the Fundraising	£28.91 million
Estimated net proceeds of the Fundraising	£26.6 million
Market capitalisation of the Company at Admission at the Issue Price	£34.4 million
AIM symbol from Admission	I3E
ISIN for the Ordinary Shares on Admission	GB00BDHXPJ60
SEDOL for the Ordinary Shares on Admission	BDHXPJ6
TIDM on Admission	I3E
LEI for the Company	213800949OZA9QA9FS17

DEFINITIONS

In this Admission Document, where the context permits, the expressions set out below shall bear the following meanings:

“Act” or “Companies Act”	Companies Act 2006 (as amended)
“Admission”	the re-admission of the entire issued and to be issued Ordinary Share capital of the Company to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
“AER”	Alberta Energy Regulator
“AIM”	AIM, a market of that name operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies as issued by the London Stock Exchange
“Arrangement Agreement”	the agreement between i3 and Toscana setting out the terms on which the Toscana Acquisition will be consumated, further details of which are set out in paragraph 12 of Part IX of this Admission Document
“Articles of Association” or “Articles”	the articles of association of the Company
“BHGE Warrant Instrument”	means the warrant instrument entered into by the Company dated 18 September 2019 pursuant to which the Company is authorised to issue up to 5,277,045 warrants over new Ordinary Shares
“Blake Field”	the Blake oil field, located in blocks 13/24 and 13/29b in the Outer Moray Firth area of the UK North Sea
“Bleo Holm FPSO Vessel”	Bleo Holm floating production, storage and offloading vessel
“Board” or “Directors”	the directors of the Company whose names are listed on page 15 of this Admission Document
“Brokers”	WH Ireland, Mirabaud and Canaccord Genuity and “Broker” means any one of them
“Business Day”	means any day other than a Saturday or Sunday on which banks are open for business in London, other than for the purposes of trading and settlement in sterling or for the purposes of online banking
“Bybrook Fee Shares”	has the meaning given in paragraph 18(b) of Part I of this Admission Document
“Bybrook Further Subscription Shares”	has the meaning given in paragraph 18(b) of Part I of this Admission Document
“Bybrook Funds”	means: (a) Bybrook Capital Badminton Fund LP; (b) Bybrook Capital Master Fund LP; and (c) Bybrook Capital Hazelton Master Fund LP, being funds managed by Bybrook Capital LLP
“Certificated”	in relation to an Ordinary Share, recorded on the relevant register as being held in certificated form and title to which may be transferred by means of a stock transfer form (that is, not in CREST)

“Company” or “i3”	i3 Energy plc, a company incorporated in England and Wales with registered number 10699593, whose registered office is at New Kings Court, Tollgate, Chandler's Ford, Eastleigh, Hampshire, United Kingdom, SO53 3LG
“Competent Person(s)”	GLJ or TRACS (as applicable)
“Competent Person’s Reports” or “CPRs”	the reports prepared by the Competent Persons, copies of which are reproduced in Part VI of this Admission Document
“Contingent Resources”	Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development because of one or more contingencies
“Contingent Resources (Development Pending)”	a sub-class of Contingent Resources where project activities are ongoing to justify commercial development in the foreseeable future
“Contingent Resources (Development Unclarified or On Hold)”	a sub-class of Contingent Resources where project activities are on hold and/or where justification as a commercial development may be subject to significant delay
“CREST”	the relevant system (as defined in the CREST Regulations) for the paperless settlement of share transfers and the holding of shares in uncertificated form in respect of which Euroclear is the operator (as defined in the CREST Regulations) in accordance with which securities may be held or transferred in uncertificated form
“CREST Regulations”	the Uncertified Securities Regulations 2001 (SI 2001 No. 3755) (as amended)
“Dana”	Dana Petroleum (E&P) Limited, a company incorporated in England and Wales with registered number 02294746, whose registered office is at 78 Cannon Street, London, England, EC4N 6AF
“Deferred Shares”	deferred shares of £10 each in the share capital of the Company
“EHS”	environmental, health and safety
“Employee Plan”	the i3 Energy plc 2017 Employee Share Option Plan
“Enlarged Group”	the Group as enlarged by the Gain Assets
“Enlarged Share Capital”	the Existing Ordinary Shares as enlarged by the issue of the Fundraising Shares
“EU”	the European Union
“Euroclear”	Euroclear UK & Ireland Limited
“Existing Ordinary Shares”	the 107,719,400 Ordinary Shares in issue immediately prior to Admission
“Existing Share Plans”	the Employee Plan and the Non-Employee Plan
“FCA”	the Financial Conduct Authority
“FDP”	a field development plan in the UKCS
“Field Netback” or “Netback”	revenue minus royalties minus opex minus transportation costs
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“Fundraising”	the Placing, Subscription and PrimaryBid Offer
“Fundraising Shares”	the Placing Shares, Subscription Shares and the PrimaryBid Shares

“Gain”	Gain Energy Ltd., a body corporate incorporated pursuant to the laws of Canada and having an office in the City of Calgary, Alberta
“Gain Acquisition”	the proposed acquisition by i3 Canada of all the petroleum and infrastructure assets of Gain for CAD\$80 million (c.US\$58.8 million)
“Gain Assets”	the petroleum and infrastructure assets of Gain which are to be retained by i3 following completion of the Gain Transaction
“Gain Effective Date”	the economic effective date of the Gain Acquisition, being 1 May 2020
“Gain PSA Date”	3 July 2020
“Gain Transaction”	the Gain Acquisition together with the Harvard Sale
“General Meeting”	the general meeting of the Company to be held at 2 Riding House Street, London, W1W 7FA on 27 August at 1 pm., formal notice of which is set out in Part X of this Admission Document
“GLJ”	GLJ Ltd. of 1920, 401 – 9th Ave, S.W., Calgary, Alberta, Canada, T2P 3C5
“Gross Consideration”	the total consideration payable by the Company for the Gain Acquisition (CAD\$80 million / c.US\$58.8 million)
“Group”	the Company and its subsidiary undertakings
“Harvard”	Harvard Resources Inc., a body corporate incorporated pursuant to the laws of Alberta and having an office in the City of Calgary, Alberta
“Harvard Sale”	the conditional sale by i3 Canada, immediately following completion of the PSA, of those petroleum and infrastructure assets currently held by Gain which are located in Saskatchewan, to Harvard for CAD\$45 million (cUS\$33 million)
“HMRC”	Her Majesty’s Revenue and Customs, the UK tax authority
“i3 Canada”	2273498 Alberta Ltd, a body corporate incorporated pursuant to the laws of Alberta and having an office in the City of Calgary, Alberta
“i3 Energy North Sea”	i3 Energy North Sea Limited
“Issue Price”	5 pence per Fundraising Share
“JCAM”	means James Caird Asset Management
“Last Practicable Date”	10 August 2020, being the last practicable date before the date of this Admission Document
“Liberator Main” or “Liberator”	the main Liberator accumulation located within United Kingdom Petroleum Licence P.1987, Block 13/23d of the UKNS, the location of which is shown on page 49
“Liberator West”	the Liberator West accumulation, including an area called the Minos High, located within United Kingdom Petroleum Licence P.2358, Block 13/23c of the UKNS, the location of which is shown on page 49
“Loan Noteholders”	the holders of the Loan Notes
“Loan Notes”	the £22,000,000 of secured guaranteed loan notes due 31 May 2023 created by i3 North Sea on 31 May 2019

“Loan Note Warrant Instruments” means:

- (a) the warrant instrument between the Company and the Loan Noteholders relating to the issue of £7,333,333.34 in notional amount of series 1 warrants to subscribe for Ordinary Shares dated 31 May 2019, as amended and restated on 24 June 2020;
- (b) the warrant instrument between the Company and the Loan Noteholders relating to the issue of £7,333,333.33 in notional amount of series 2 warrants to subscribe for Ordinary Shares dated 31 May 2019, as amended and restated on 24 June 2020; and
- (c) the warrant instrument between the Company and the Loan Noteholders relating to the issue of £7,333,333.33 in notional amount of series 3 warrants to subscribe for Ordinary Shares dated 31 May 2019, as amended and restated on 24 June 2020

“Loan Note Warrants” means the warrants granted to Loan Noteholders under the Loan Note Warrant Instruments

“Lombard Warrant Instruments” means:

- (a) the warrant instrument entered into by the Company dated 31 May 2019 pursuant to which 655,201 series 1 warrants to subscribe for Ordinary Shares were issued to 1798 Volantis Fund Limited;
- (b) the warrant instrument entered into by the Company dated 31 May 2019 pursuant to which 327,600 series 1 warrants to subscribe for Ordinary Shares were issued to 1798 UK Small Cap Best Ideas Fund Ltd;
- (c) the warrant instrument entered into by the Company dated 31 May 2019 pursuant to which 655,201 series 1 warrants to subscribe for Ordinary Shares were issued to LMAP Epsilon Limited;
- (d) the warrant instrument entered into by the Company dated 31 May 2019 pursuant to which 554,401 series 2 warrants to subscribe for Ordinary Shares were issued to 1798 Volantis Fund Limited;
- (e) the warrant instrument entered into by the Company dated 31 May 2019 pursuant to which 277,200 series 2 warrants to subscribe for Ordinary Shares were issued to 1798 UK Small Cap Best Ideas Fund Ltd;
- (f) the warrant instrument entered into by the Company dated 31 May 2019 pursuant to which 554,401 series 2 warrants to subscribe for Ordinary Shares were issued to LMAP Epsilon Limited;
- (g) the warrant instrument entered into by the Company dated 31 May 2019 pursuant to which 480,480 series 3 warrants to subscribe for Ordinary Shares were issued to 1798 Volantis Fund Limited;
- (h) the warrant instrument entered into by the Company dated 31 May 2019 pursuant to which 240,240 series 3 warrants to subscribe for Ordinary Shares were issued to 1798 UK Small Cap Best Ideas Fund Ltd; and

	(i) the warrant instrument entered into by the Company dated 31 May 2019 pursuant to which 480,480 series 3 warrants to subscribe for Ordinary Shares were issued to LMAP Epsilon Limited
“London Stock Exchange”	London Stock Exchange plc
“MAR”	the EU Market Abuse Regulation (596/2014)
“MER”	the OGA’s Maximising Economic Recovery strategy for the UK
“Net Consideration”	the net consideration payable by the Company for the Gain Acquisition after deducting the proceeds of the Harvard Sale, being CAD\$35 million (c.US\$25.7 million)
“Nomad” or “WH Ireland”	W H Ireland Limited, in its capacity as nominated adviser and broker to the Company
“Non-Employee Plan”	i3 Energy plc 2017 Non-Employee Share Option Plan
“OGA”	UK Oil and Gas Authority
“OPEC”	Organisation of the Petroleum Exporting Countries
“Ordinary Shares”	ordinary shares of £0.0001 each in the share capital of the Company
“Panel”	the Panel on Takeovers and Mergers operating under the Takeover Code
“Placing”	the placing by the Company of the Placing Shares with institutional and other investors at the Issue Price pursuant to the Placing Agreement
“Placing Agreement”	the conditional agreement dated 11 August 2020 between: (i) the Company; (ii) the Directors; and (iii) each of the Brokers, further details of which are set out in paragraph 12.1.1 of Part IX of this Admission Document
“Placing Shares”	the 376,996,326 new Ordinary Shares to be issued by the Company and subscribed for pursuant to the Placing
“Proposals”	the Gain Transaction together with the Fundraising
“PrimaryBid”	PrimaryBid Limited, a company incorporated in England and Wales with registered number 08092575 and having its registered office at 21 Albermarle Street, London, W1S 4BS
“PrimaryBid Engagement Letter”	the agreement between the Company and PrimaryBid with respect to the PrimaryBid Offer dated 30 July 2020, further details of which are set out in paragraph 12 of Part IX of this Admission Document
“PrimaryBid Offer”	the placing by the Company of the PrimaryBid Shares with PrimaryBid’s UK retail clients
“PrimaryBid Shares”	the 12,650,929 new Ordinary Shares to be issued by the Company and subscribed for pursuant to the PrimaryBid Offer
“PSA”	the binding purchase and sale agreement entered into between i3 and Gain with respect to the Gain Acquisition dated 3 July 2020 (as amended)
“QCA”	The Quoted Companies Alliance
“REDA”	the Responsible Energy Development Act (Canada)
“Registrar”	Link Asset Services
“Re-priced Options”	the new share options which shall replace certain of the outstanding options under the Existing Share Plans to seek alignment between Loan Noteholders and the Company’s management

“Repsol Sinopec”	Repsol Sinopec Resources UK Ltd, a company incorporated in England and Wales with registered number 00825828, whose registered office is at Suite 1, 3rd Floor, 11-12 St. James's Square, London, England, SW1Y 4LB
“Reserves”	Reserves are those quantities of petroleum that are anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions
“Resolutions”	the resolutions in the Notice of the General Meeting set out in Part X of this Admission Document
“Serenity”	the Serenity oil discovery made by i3 Energy in Q4 2019, located within United Kingdom Petroleum Licence P.2358, Block 13/23c of the UKNS, the location of which is shown on page 49
“Shareholder”	any holder of Ordinary Shares from time to time
“Sterling” or “£”	the lawful currency for the time being of the United Kingdom
“Subscribers”	the subscribers, being the Bybrook Funds, who have agreed to subscribe for the Subscription Shares at the Issue Price pursuant to the Subscription Letters
“Subscription”	the conditional subscriptions for the Subscription Shares to be issued to the Subscribers
“Subscription Letters”	the subscription letters entered into between the Company and the Subscribers
“Subscription Shares”	188,500,000 new Ordinary Shares to be issued at the Issue Price to the Subscribers pursuant to the Subscriptions
“subsidiary” and “subsidiary undertaking”	have the meanings given to them by the Act
“Takeover Code”	the City Code on Takeovers and Mergers
“Toscana” or “TEIC”	Toscana Energy Income Corporation, a body corporate incorporated pursuant to the laws of Alberta and having an office in the City of Calgary, Alberta
“Toscana Acquisition”	the proposed acquisition by the Company of all of the issued and outstanding common shares of Toscana
“Toscana Management Agreement”	the management and administrative services agreement entered into between i3 Canada and Toscana in respect of the Gain Assets dated 6 August 2020
“TRACS”	TRACS International Limited of East Wing First Floor, Admiral Court, Polynernook Road, Aberdeen, AB11 5QX
“UK Assets”	i3 Energy North Sea’s 100% operating and working interest in two UKCS blocks; 13/23d (UK Seaward Production License P.1987) and 13/23c (UK Seaward Production License P.2358)
“UK Corporate Governance Code”	the UK Corporate Governance Code published by the Financial Reporting Council, as in force from time to time
“UK Group”	the Company and i3 Energy North Sea
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UKCS”	the United Kingdom Continental Shelf
“UKLA” or “Listing Authority”	the FCA, acting in its capacity as the competent authority for the purposes of Part VI of FSMA

“Uncertificated”	recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“Warrant Instruments”	means: <ul style="list-style-type: none"> (a) the BHGE Warrant Instrument; (b) the Loan Note Warrant Instruments; (c) the Lombard Warrant Instruments; and (d) the Work Fee Warrant Instruments
“Warrants”	the warrants granted by the Company under the Warrant Instruments
“WCSB”	the Western Canadian Sedimentary Basin
“Work Fee Warrant Instruments”	means: <ul style="list-style-type: none"> (a) the warrant instrument between the Company and the Bybrook Funds relating to the issue of £3,200,000 in notional amount of warrants to subscribe for Ordinary Shares dated 8 November 2019, as amended and restated on 24 June 2020; and (b) the warrant instrument between the Company, BP Oil International Limited, 1798 Volantis Fund Limited, LMAP Epsilon Limited and JCAM relating to the issue of £601,519.20 in notional amount of warrants to subscribe for Ordinary Shares dated 6 December 2019, as amended and restated on 24 June 2020

In this Admission Document, all references to times and dates are in reference to those observed in London, England.

GLOSSARY OF TERMS

ABEX	Abandonment expenditure
API	American Petroleum Institute
°API	Degrees API (a measure of oil density)
B	Billion (10 ⁹)
Bbl	Barrels
/Bbl	Per barrel
Boe	Barrels of oil equivalent
Boepd	Barrels of oil equivalent per day
Bscf	Billion standard cubic feet
CAD\$	Canadian Dollar
CAPEX	Capital expenditure
CER	Canada Energy Regulator
EUR	Estimated ultimate recovery
°F	Degrees Fahrenheit
FDP	Field development plan
FD&A	Field, development and acquisition
F&D	Finding and development
FPSO	Floating production, storage and offloading vessel
ft	Foot/feet
GBP	Pounds Sterling
km	Kilometres
LMR	Liability management rating
m	Metres
M	Thousand
MBbl	Thousands of barrels
Mscf	Thousand standard cubic feet
MM	Million
MMbbl	Millions of barrels
MMboe	Millions of barrels of oil equivalent
MMbtu	Million British Thermal Units
MMscf	Million standard cubic feet
NPV10	Net Present Value at 10 per cent. annual discount rate
OPEX	Operating expenditure
OWC	Oil water contact
p.a.	Per annum
PUD	Proved undeveloped
scf	Standard cubic feet
ss	Subsea
stb	Stock tank barrel

STOIIP	Stock tank oil initially in place
TVD	True vertical depth
TVDSS	True vertical depth subsea
UKCS	United Kingdom Continental Shelf
US\$	United States Dollar
WI	Working interest
1C	Low estimate of Contingent Resources
2C	Best estimate of Contingent Resource
3C	High estimate of Contingent Resources
3D	Three dimensional
1P	Proved Reserves
2P	Probable Reserves
3P	Possible Reserves

DIRECTORS, SECRETARY AND ADVISERS

Directors:	Linda Janice Beal Majid Shafiq Graham Andrew Heath Neill Ashley Carson Richard Millington Ames	<i>(Non-Executive Chairperson)</i> <i>(Chief Executive Officer)</i> <i>(Chief Financial Officer)</i> <i>(Non-Executive Director)</i> <i>(Non-Executive Director)</i>
Secretary:	Burness Paull LLP	
Registered Office:	New Kings Court Tollgate Chandler's Ford Eastleigh Hampshire SO53 3LG	
Nominated Adviser and Joint Broker:	WH Ireland Limited 24 Martin Lane London EC4R 0DR	
Joint Broker:	Canaccord Genuity Limited 88 Wood Street London EC2V 7QR	
Joint Broker:	Mirabaud Securities Limited 5th floor 10 Bressenden Place London SW1E 5DH	
Solicitors to Company as to matters of UK law:	Burness Paull LLP 50 Lothian Road Festival Square Edinburgh EH3 9WJ	
Solicitors to Company as to matters of Canadian law:	Norton Rose Fulbright Canada LLP 400 3rd Avenue SW, Suite 3700 Calgary Alberta Canada T2P 4H2	
Solicitors to Nominated Adviser and Joint Brokers:	Fieldfisher LLP Riverbank House 2 Swan Lane London EC4R 3TT	
Auditors & Reporting Accountants:	PKF Littlejohn LLP 15 Westferry Circus Canary Wharf London E14 4HD	
Independent Competent Person in respect of the UK Assets:	TRACS International Limited East Wing First Floor Admiral Court Polynernook Road Aberdeen AB11 5QX	

Independent Competent Person in respect of the Gain Assets:	GLJ Ltd. 1920, 401 – 9th Ave, S.W. Calgary Alberta Canada T2P 3C5
Registrar:	Link Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Company Website:	https://i3.energy
Company Telephone Number:	+44 (0) 1224 945 980

PART I

LETTER FROM THE CHAIRPERSON OF i3 ENERGY PLC

(Incorporated in England and Wales under the Companies Act 2006 with registered number 10699593)

Directors:

Linda Beal (Non-Executive Chairperson)
Majid Shafiq (Chief Executive Officer)
Graham Heath (Chief Financial Officer)
Neill Carson (Non-Executive Director)
Richard Ames (Non-Executive Director)

Registered office:

New Kings Court
Tollgate
Chandler's Ford
Eastleigh Hampshire
SO53 3LG

Dear Shareholders,

**Proposed acquisition of certain oil and gas assets owned by Gain Energy Ltd.
Placing, Subscription and Primary Bid offer for 581,147,255 new Ordinary Shares
at 5 pence per Ordinary Share Application for Re-Admission to
trading on AIM of 688,866,655 Ordinary Shares and
Notice of General Meeting**

1. INTRODUCTION

On 6 July 2020, the Company announced that it had entered into a binding purchase and sale agreement (“**PSA**”) to acquire all the petroleum and infrastructure assets of Gain Energy Ltd. (“**Gain**”), a private Canadian company with operations in the WCSB, for CAD\$80 million (c.US\$58.8 million) (the “**Gain Acquisition**”).

Since the announcement of 6 July 2020, the Company has agreed to sell, immediately following completion of the Gain Acquisition, those petroleum and infrastructure assets currently held by Gain which are located in Saskatchewan, to Harvard for CAD\$45 million (c.US\$33 million) (the “**Harvard Sale**”), conditional only on completion of the Gain Acquisition.

The Gain Acquisition and the Harvard Sale shall be collectively referred to in this document as the “**Gain Transaction**” and the petroleum and infrastructure assets of Gain which are to be retained by i3 following completion of the Gain Transaction shall be referred to in this document as the “**Gain Assets**”.

The Net Consideration payable by i3 to acquire the Gain Assets (i.e. after deduction of the proceeds to be received by the Group from the Harvard Sale) is CAD\$35 million (c.US\$25.7 million) and the Company announces today that this is to be funded by the Company's conditional: (i) placing of 376,996,326 new Ordinary Shares at the Issue Price; and (ii) issue of 188,500,000 Subscription Shares to Subscribers at the Issue Price. Out of the Fundraising proceeds, the Company also expects to use £2 million for finance & legal costs, £5 million for accelerating production and £3 million for general corporate purposes.

The Proposals are conditional, *inter alia*, upon Shareholder approval at the General Meeting, completion of the Harvard Sale and the satisfaction or waiver of the conditions precedent to the Gain Acquisition, as detailed in paragraph 12.9.1 of Part IX of this Admission Document. If such conditions are not satisfied, or, where applicable, not waived, the Proposals will not be implemented.

Due to its size and nature, the Gain Acquisition constitutes a reverse takeover of the Company pursuant to the AIM Rules for Companies.

The Gain Acquisition and the Fundraising are both subject to, *inter alia*, Shareholder approval at the General Meeting, notice of which is set out at in Part X of this Admission Document. The General Meeting is to be held at 2 Riding House Street, London, W1W 7FA on 27 August 2020 at 1 pm. Under the UK Government's current recommendations with regards to public gatherings, it will not be possible for all Shareholders to attend the General Meeting in person. We therefore strongly encourage Shareholders to vote on all resolutions by completing an online proxy appointment form appointing the Chairman of the meeting as their proxy, to register any questions in advance and not to attend the meeting in person. Further details of the General Meeting can be found in the Notice of General Meeting in Part X of this document.

Shareholders should note that neither the Gain Transaction nor the Fundraising will occur if Resolutions 1, 2 and 3 are not passed.

This document contains detailed information about the Company, the Gain Transaction and the Fundraising and explains why the Directors consider the Gain Transaction and Admission to be in the best interests of the Company and its Shareholders. The Directors recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, further details of which can be found in the Notice of General Meeting in Part X of this Admission Document.

2. BACKGROUND TO THE COMPANY

i3 is an independent oil and gas company with assets and operations in the UK. The Company's UK operations are managed by its wholly owned subsidiary, i3 Energy North Sea. Its strategy is to focus on the development of discoveries located close to existing infrastructure and delineation appraisal drilling of prior discoveries to the point of development readiness. The Company's intent is to maintain a limited level of exploration exposure.

Further details regarding the acquisition of the Gain Assets are set out immediately below, with i3's operational and fundraising history following thereafter.

3. INFORMATION ON THE GAIN ASSETS

On 3 July 2020, i3 entered a binding PSA with Gain to acquire 100 per cent. of its producing and non-producing assets in the Canadian provinces of Alberta and Saskatchewan. i3 has since agreed that immediately following completion of the Gain Acquisition it will sell those petroleum and infrastructure assets currently held by Gain which are located in Saskatchewan, to Harvard for CAD\$45 million (c.US\$ 33 million) and retain only the Alberta assets (such Alberta assets being referred to in this document as the Gain Assets). This Harvard Sale is conditional on completion of the Gain Acquisition.

In Q4 of 2019, the Gain Assets produced on average 9,509 boepd (40 per cent. liquids) to which GLJ had attributed PDP reserves of 21.5 MMboe with a before-tax NPV10 of US\$118 million, and 2P reserves of 61.3 MMboe with a before-tax NPV10 of US\$307 million. As part of i3's re-admission process (and to reflect the change in the oil price environment since December 2019), i3 commissioned GLJ to update the reserves associated with the Gain Assets. As at 30 June 2020, the updated reserves of the Gain Assets are 18.4 MMboe PDP with a before-tax NPV10 of c.US\$56.5 million and 2P reserves of 53.8 MMboe with a before-tax NPV10 of c.US\$182 million. In 2019, the Gain Assets produced c.US\$22 million in field EBITDA from 242 Gain-operated wells at an average working interest of 78% and 1,044 non-operated wells at an average working interest of 14%, and included 172k net developed acres and 186k net undeveloped acres of land.

i3, via its wholly owned subsidiary, i3 Canada, will be acquiring the Gain Assets free of all encumbrances (apart from industry standard or acceptable permitted encumbrances). The cash consideration to be paid to Gain under the PSA is CAD\$80 million (c.US\$58.8 million) (the "**Gross Consideration**"). The Net Consideration (CAD\$35 million / c.US\$25.7 million) will be funded by proceeds of the Fundraising. The Gross Consideration will be funded by i3 from: (i) the net proceeds of the Fundraising; and (ii) the net proceeds received from the Harvard Sale. The Gross Consideration will be adjusted by the income generated from all of Gain's assets since 1 May 2020, the economic effective date (the "**Gain Effective Date**") of the Gain Acquisition, minus interest on the Gross Consideration accruing from the Gain Effective Date at Canadian Prime + 2 per cent. (totalling approximately 4.45 per cent.) and minus CAD\$500,000 (c.US\$368,000), per calendar month accruing from the Gain PSA Date to compensate Gain for its management of its assets while the parties complete the Gain Acquisition. Under the terms of the PSA, the Gain Acquisition remains subject to normal course conditions precedent.

As i3 Canada does not at this stage have an operating licence in Canada from the AER to enable it to manage the Gain Assets, i3 Canada has entered into a management and administrative services agreement with Toscana, the commencement of which is conditional on completion of the Gain Transaction (the "**Toscana Management Agreement**"). Pursuant to the terms of the Toscana Management Agreement, Toscana will provide all management and administrative services to i3 Canada as are necessary for the proper management and administration of the Gain Assets. A summary of the terms of the Toscana Management Agreement is set out in paragraph 12 of Part IX of this document.

4. POTENTIAL TRANSACTION INVOLVING TOSCANA ENERGY INCOME CORPORATION

As announced by the Company on 23 June 2020, i3 has agreed to acquire all of the issued and outstanding common shares of Toscana Energy Income Corporation, a TSX-listed oil and gas company.

Toscana had 2019 year-end 2P Reserves of 4.65 MMboe (53 per cent. gas, 47 per cent. oil) with a reserve life index of 14.7 years and average 2019 production of 1,065 boepd which generated CAD\$5.5 million (c.US\$4mm) in Field Netback (revenue minus royalties minus opex) from 13 low-decline, long-life conventional fields producing at an average break-even price of CAD\$30.43/boe (c.US\$22.38/boe). TEIC operates 62 per cent. of the producing wells in its portfolio at an average net working interest of 67 per cent. Importantly, TEIC has accumulated tax pools of c.CAD\$128 million (US\$94 million) that cash flow from the Gain Assets will benefit from.

As announced on 30 March 2020, i3 has already purchased the rights and interests in Toscana's CAD\$24.8 million senior debt facility and CAD\$3.2 million junior debt facility for a total consideration of CAD\$3.0 million and CAD\$0.4 million, respectively, with the cash consideration being paid 50 per cent. up front and 50 per cent. at 31 December 2020. The aggregate consideration being paid by i3 for Toscana's debt and equity totals approximately CAD\$3.85 million (c.US\$2.83 million) and, in light of TEIC's 2019 production and reserves, represents approximately 0.7x Toscana's 2019 Field Netback of CAD\$5.5 million (US\$4 million), CAD\$3,618/boepd (c.US\$2,661/boepd), or CAD\$0.83/boe (c.US\$0.61/boe). Summaries of the finance documents pursuant to which i3 has acquired Toscana's senior and junior debt facilities are set out in paragraph 12.10 of Part IX of this document.

The Toscana Acquisition is to be consummated via a plan of arrangement, the terms of which have been agreed between i3 and Toscana in an Arrangement Agreement. Under the terms of the Arrangement Agreement, the consideration payable by i3 for all of the issued and outstanding common shares of TEIC will be wholly satisfied by the issue by i3 of 4,399,224 fully paid Ordinary Shares, which represent 4.08 per cent. of the Existing Ordinary Shares and 0.64 per cent. of the Enlarged Share Capital.

Due to its size and nature, the Toscana Acquisition will constitute a reverse takeover of the Company pursuant to the AIM Rules. As a result, the Toscana Acquisition will also require to be approved by i3 Shareholders by way of an ordinary resolution. Provided the Toscana Acquisition is approved by TEIC shareholders, the Company intends in due course to publish a new admission document detailing the terms of the Toscana Acquisition in accordance with the AIM Rules and convene a general meeting to allow i3 Shareholders to vote on the Toscana Acquisition.

Should the Toscana Acquisition complete, it is anticipated that:

- i3's Ordinary Shares will be listed on TSX (in addition to AIM); and
- subject to regulatory due diligence, a current member of the TEIC board, John Festival, will join the board of i3 as a non-executive director. John is a chemical engineer with over 35 years of experience in the WCSB's oil and gas sector and has an excellent track record of founding, growing and monetising oil and gas ventures in Canada. He is currently the CEO of Broadview Energy and was the President and CEO of Black Pearl Resources Inc. prior to its acquisition by International Petroleum in December 2018 in a stock and debt transaction valued at circa CAD\$715 million. He was previously the founder and President of BlackRock Ventures Inc., which was established in 2001 and sold to Shell Canada for CAD\$2.4 billion in 2006.

Completion of the Toscana Acquisition is conditional upon, *inter alia*, TEIC's shareholders holding at least 66 2/3 per cent. of the issued and outstanding common shares of TEIC voting in favour of the arrangement at a general meeting.

There can be no assurance that the required shareholder approval from either i3 Shareholders or Toscana shareholders will be received to enable the Toscana Acquisition to take place and, consequently, there can be no assurance that the Toscana Acquisition will complete.

5. KEY INVESTMENT PROPOSITION

Diversification into production to necessitate shareholder returns

i3 believes it is necessary to diversify its asset portfolio in order to spread and mitigate risk. Ideally this would diversify multiple aspects of its business, including geological, project life cycle, project

capital intensity and capital market risks, whilst also being value accretive to Shareholders. The Company also believes it is critical to add production to its asset portfolio to provide internal free cash flow to grow the Enlarged Group and provide a near-term return to its Shareholders. Having considered a number of global oil and gas basins and specific opportunities, including in the UK sector of the North Sea in the context of the Company's acquisition criteria, it has concluded that the WCSB provides a unique, time-limited opportunity to build a portfolio of production assets on superior commercial acquisition metrics not achievable elsewhere. A short to medium term lack of infrastructure to transport Canadian oil and gas to international markets in combination with depressed gas prices in North America (due to the growth in gas supply from shale drilling) has led to many small and mid-cap oil and gas producers, particularly those with overleveraged balance sheets and heavily gas-weighted portfolios, to become financially distressed and to have limited access to the North American capital markets to fund maintenance opex or growth capex. Many of these companies contain excellent, long-life, low-decline production assets, with solid growth potential that may be acquirable at attractive metrics.

Prior to the end of Q1 2021, the Company anticipates to begin paying a dividend of between 20 per cent. and 30 per cent. of free cash flow annually, progressively increasing this to 40 per cent. as i3's Canadian business expands. This is subject to the information on dividend policy and potential restrictions as contained in paragraph 29 of Part I and paragraph 5.3 of Part IX of this Admission Document.

It should be noted that i3 can only pay a dividend out of distributable profits. Currently the Company has retained losses, which prevent it from paying a dividend. Following Admission, the Company intends to effect a reduction of share capital to create distributable reserves. A reduction of share capital will require approval by Shareholders and the UK Courts. This process will take several months and there can be no assurance that approval will be obtained from both Shareholders and the UK Courts to enable the reduction of share capital to take place. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Directors and will depend on, among other things, the Group's results of operations and financial condition, its future business prospects, its ability to repatriate cash from its subsidiaries, any applicable legal or contractual restrictions and availability of profits. The Directors intend to take professional advice on the most efficient route to repatriate cash from i3 Canada to enable dividends to be paid. If the reduction of share capital is not effected, it is unlikely that a dividend will be capable of being paid by i3 in the near to medium term.

Under current market conditions, the residual free cash flow will be redeployed to acquire additional developed producing reserves or to exploit the best production adding opportunities within the Gain Assets, in order to replace natural decline and increase production levels. At such time as markets improve and acquisition multiples become unattractive, i3 will focus on unlocking the material value held in the Gain Assets PUD and 2P inventory, which has the capacity to more than double current production levels into a strengthening commodity price environment. Fresh production will be at least partially hedged in these stronger markets to secure future cash flow or, alternatively, the Company may monetise new production in order to return additional value to Shareholders.

6. SYSTEMIC ISSUES DRIVING WCSB OPPORTUNITY

The WCSB has been affected by a dearth of M&A and A&D transactions resulting from overleverage and/or a lack of support in Canadian equity and debt capital markets, the compounding effects of only having single-market access (other than domestic use, the United States has been the only buyer of Canadian oil and gas), and a US shale oil industry that has driven over-supply resulting in substantial pricing differentials between Canadian and US benchmark crude prices. These have all put downward pressure on small, typically overleveraged, upstream producers. This is enabling the opportunity to secure assets on very attractive acquisition metrics.

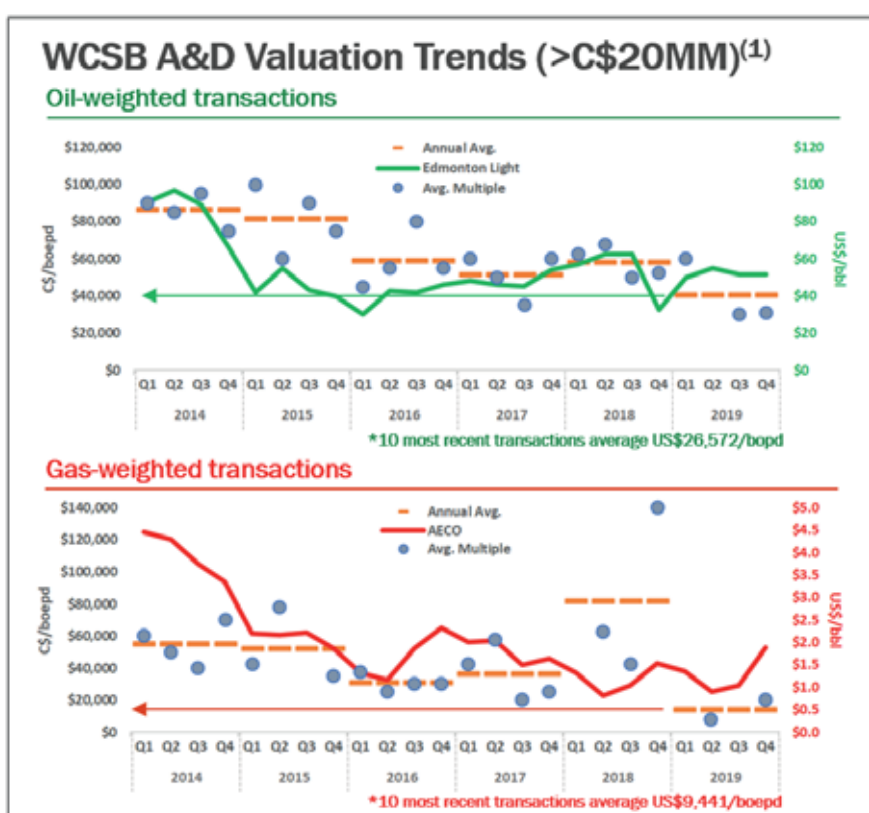
At a time when these difficulties for some WCSB producers are at an apex, a number of previously stalled, large-scale pipeline and infrastructure projects (eg. Trans Mountain pipeline expansion, TC Energy's Keystone XL, Enbridge Line 3 Expansion, Shell's US\$40B LNG Canada project on the west coast) are progressing. Upon completion, these projects will increase the export capacity from the WCSB and should have the effect of normalising Canadian commodity prices to better align with world markets. i3 expects this to resolve one of the main issues that has instigated the financial hardship of many Canadian producers.

It is this backdrop of slumping deal activity and sector-wide depression in the Canadian upstream sector, converging with long-awaited systemic improvements to egress optionality, that the Directors believe will result in a rebound in Canadian asset values. The Company sees this as a time-limited opportunity to acquire undervalued asset portfolios.

7. i3 ACQUIRING THE GAIN ASSETS ON STRONG METRICS

COVID-19 and a stand-off between large-scale producers, Russia and Saudi Arabia, drove unprecedented and not previously seen oil price volatility between March and May 2020 (with WTI going negative). This provided the Company with an excellent opportunity to capture assets at very attractive metrics in the context of historical transactions. The Gain Assets are expected to produce approximately US\$23 million of Field Netback in the next twelve months. The consideration payable by i3 for the Gain Assets (after deduction of the proceeds to be received from the Harvard Sale) represents approximately 1.1x this figure at c.US\$25.7 million.

As is demonstrated in the figures below, compared to the 10 most recent A&D transactions above CAD\$20 million involving the WCSB up to April 2020 (as shown in the chart below), i3 is acquiring the Gain Assets for approximately one sixth of the market average.



DEAL CAPTURE AT A FRACTION OF HISTORICAL AVERAGE⁽²⁾

In light of recent world and sector events, i3 has captured the assets of Toscana and Gain on excellent metrics. The 10 most recent WCSB transactions up to April 2020 had average metrics of US\$26,572/boepd and US\$9,441/boepd for oil-weighted and gas-weighted deals, respectively, putting a total market valuation on i3's Toscana and Gain acquisitions at US\$175MM (US\$16,518/boepd) – 6.1x i3's acquisition price of US\$28.6MM (US\$2,702/boepd).

1) Source: Bank of Montreal 8 April 2020
 2) Determined using 19 May 2019 forward strip pricing

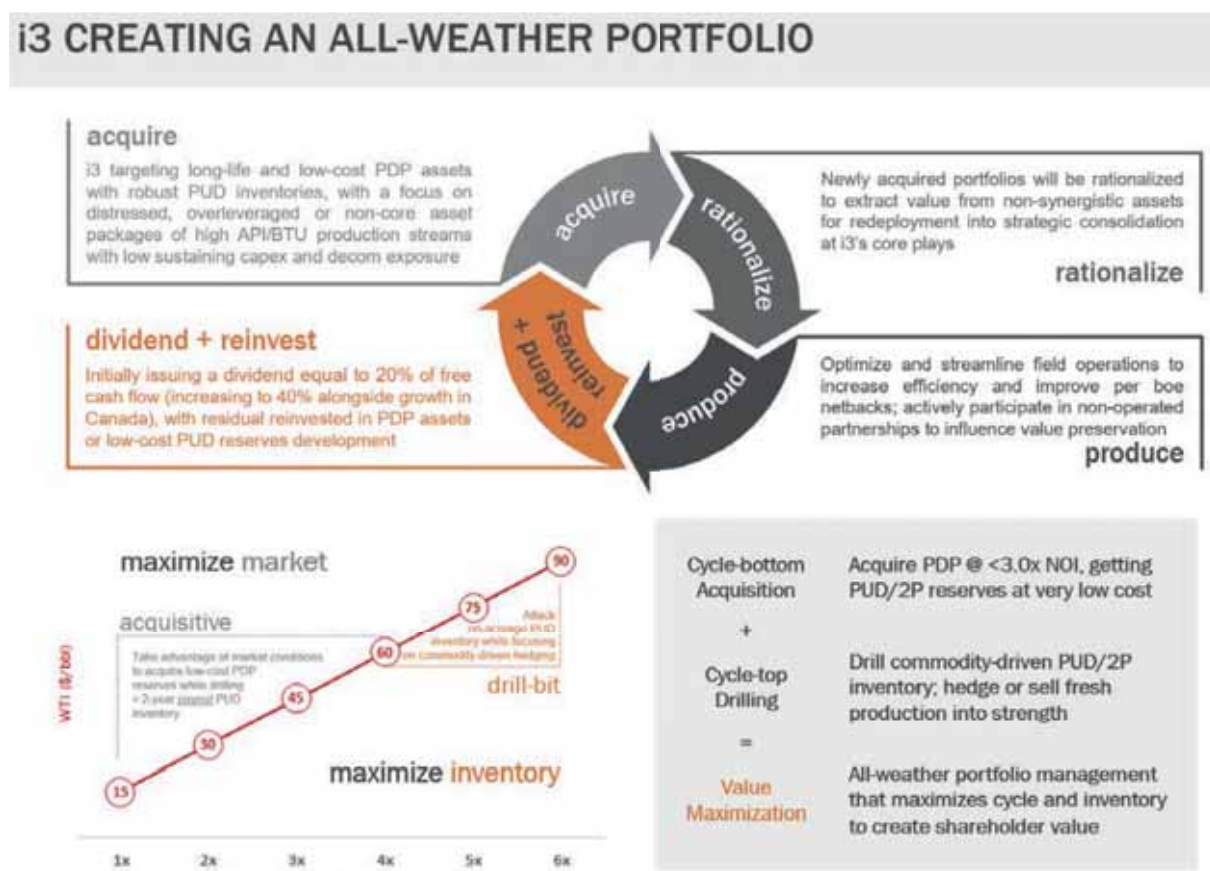
i3's Net Consideration of c.US\$25.7 million for the Gain Assets sees i3 acquiring a material portfolio that, at 30 June 2020 as verified by GLJ in i3's competent persons report on the Gain Assets, had 23.9 MMboe of proved plus probable, developed producing reserves and 53.8 MMboe of

2P reserves from assets that produced at 8,948 boepd in June 2020. This results in i3's acquisition metrics for the Gain Transaction being US\$2,876/boepd, US\$0.48 per 2P boe.

Though world oil markets are highly volatile at present, the Gain Transaction will provide substantial revenue to i3 from the long-life portfolio of the Gain Assets, such assets having a large PUD and 2P reserves base that offers drillable upside potential at such a time as commodity prices strengthen.

8. I3'S WCSB STRATEGY: ACQUIRE DEVELOPED PRODUCING PORTFOLIOS BELOW 3X FIELD NETBACK WITH PUD/2P RESERVES AT NO/LOW-COST

The Company is seeking out assets or portfolios that have developed producing reserves that can be acquired for less than 3x next 12 months Field Netback, but that also contain material PUD and 2P inventory that may be drilled at a later date under stronger commodity pricing. i3 will remain acquisitive as long as FD&A costs remain below F&D costs. Once FD&A costs overtake F&D costs, the Company will focus on drilling its highest return PUD and 2P inventory, and thereafter materially hedge this fresh production to secure future cash flow or, alternatively, consider selling either outright or partially this new production to capture value. The latter would give the Company the opportunity to potentially return additional value to Shareholders over and above its planned dividend policy. This strategy is expanded upon in the graphic below.



To reiterate, the Directors believe there is a time-limited opportunity, driven by the systemic and market-based issues outlined above, within which to build a material Canadian production business through M&A/A&D that secures a portfolio of future growth opportunities at minimal or zero cost which can be exploited once oil and gas prices stabilise under the new normal that results from current world events.

9. HISTORICAL DEVELOPMENT OF THE UK GROUP

The UK Group was established to identify, appraise, and develop underfunded oil and gas projects in the UKCS. The Company is headquartered in Aberdeen, Scotland, with its registered office in Eastleigh, Hampshire. The Company recently began to pursue production assets in the Western Canadian Sedimentary Basin. The history of the UK Group is set out below:

2014

- Established i3 Energy North Sea and its near-term business plan.

2015

- Commenced the targeting and screening of commercial opportunities.

2016

- Pre-IPO financing secured and completed the purchase of Licence P:1987
- Appointed operator status by the OGA

2017

- Completed additional pre-IPO financing via private placement of loan notes totalling approximately £6.16 million
- Admitted the Company to AIM
- Established the Company as the parent company of i3 Energy North Sea
- Applied for Licence P:2358 Block 13/23c containing a western extension of the Liberator field

2018

- Awarded sole ownership of 30th Offshore Licensing Round Block 13/23c containing a material extension of the Liberator field referred to by i3 as Liberator West
- Completed placements raising £2.57m and £1.62m before expenses through the issue of Ordinary Shares at a price of £0.30 and £1.05 per share, respectively
- Deleveraged the Company's balance sheet through the conversion of US\$2.5m of then existing loan notes into 5,220,580 Ordinary Shares at an average conversion price of US\$0.48 per share
- Redefined expected Liberator Phase I work programme to include 2 development wells in addition to the Company's commitment to appraise Liberator West
- Worked with the supply chain on development design and engineering
- Conducted internal and third-party reservoir simulations to optimize and de-risk well locations and trajectories
- Commissioned and completed feasibility and engineering studies for the tie-in of the planned Liberator production wells to the Bleo Holm FPSO Vessel
- Contracted Gardline Limited to conduct a site survey at its Liberator field
- Appointed Majid Shafiq as CEO and Neill Carson (previous CEO and co-founder) as Non-Executive Director

2019

- Entered a minimum 94-day drilling contract with Dolphin Drilling Ltd for use of the Borgland Dolphin for i3 Energy North Sea's planned 2019 three-well campaign
- Completed issuance of the Loan and Loan Note Warrants
- Completed equity financings of £18 million in March and £5 million in November at an average price of £0.35 per Ordinary Share
- Awarded a £3 million contract for oilfield services and equipment to Baker Hughes and issued them £3 million of notional warrants that could be exercised at £0.5685 per Ordinary Shares via cash settlement or in exchange for payments due under oilfield service or oilfield contracts with the Company
- Extended the date by which the Company was to have a Liberator Phase I development facility in place from 30 November 2019 to 30 April 2020, under the terms of its Loan Notes
- Issued 9.5 million warrants to Loan Noteholders at an exercise price of £0.40 per Ordinary Share
- Drilled the 13/23c-9 and 13/23c-11 wells at Liberator without finding an oil column sufficient for i3 to pursue a development well at these locations
- Drilled the 13/23c-10 exploration well discovering the Serenity oil field

2020

- The Company began planning a 2020, multi-well appraisal programme and simultaneously began a farm-down process of its Serenity and Liberator licences to potentially fund a 2020 appraisal drilling campaign
- Resignation of David Knox, Chairman, who took on the top role at Australia's largest renewable energy provider
- Linda Beal assumed the role of Interim Chairperson
- Conducted a site survey of Serenity and Liberator West's Minos High structures
- Entered into a drilling contract with Dolphin Drilling Ltd to conduct a multi-well drilling campaign during 2020 and 2021, subject to funding availability, and agreed a net revenue sharing agreement with Dolphin Drilling Ltd under which it could earn up to 10 per cent. of the Serenity field by foregoing drilling profits of up to US\$14.4 million
- Entered an option agreement to acquire Toscana, a TSX-listed company with producing assets in the WCSB, with the Company becoming Toscana's senior-secured lender through the purchase of the rights and interests in Toscana's senior and subordinated debt facilities
- Announced a restructuring of the UK Group's Loan Notes and Loan Note Warrants
- Replaced the Liberator Phase I Development Funding Long-stop Date with a Corporate Development Long-stop Date under which certain conditions would need to be achieved prior to September 2020 and April 2021;
- Reset the exercise price of the Loan Note Warrants to £0.0001 per Ordinary Share (the nominal value of i3's Ordinary Shares);
- Announced the proposed cancellation of certain of i3's management and Director share options, which will be replaced with new options that will replicate the amended Loan Note Warrants in relation to exercise price
- Announced the Company's exercise of its option to acquire Toscana by way of a plan of arrangement
- Announced its planned acquisition of the Gain Assets
- Suspended trading while the Company completes the Gain Transaction and the Fundraising.

10. FUNDING HISTORY OF THE UK GROUP

Prior to its introduction to the AIM in July 2017, the Company funded itself through founders' equity and the issuance of convertible loan notes totalling approximately £6.2 million. At the time i3's Ordinary Shares were first admitted to AIM, the Company had 25,690,892 Ordinary Shares outstanding, having converted £4.1 million in convertible loan notes at an average price of £0.44 per Ordinary Share.

During the course of 2018, i3 issued £2.57 million of equity at £0.30 per Ordinary Share and £1.54 million of equity at £1.05 per Ordinary Share. Also during 2018 the remaining £2 million of convertible loan notes that were issued prior to IPO converted into equity at an average price of £0.35 per Ordinary Share, and the Company ended 2018 with 41,107,438 Ordinary Shares issued and outstanding.

In order to undertake a three-well appraisal drilling programme at its UK licences beginning in Q3 of 2019, in March 2019 i3 issued £18.1 million of equity at an average price of £0.35 per Ordinary Share (with one investor also receiving 4,225,204 warrants at an average exercise price of £0.471 per Ordinary Share) and in May 2019 i3 North Sea issued the Loan Notes. As part of the Loan Note issuance, £22 million of notional value warrants were issued which, upon exercise, would convert into 46,477,246 Ordinary Shares at an average exercise price of £0.471 per Ordinary Share. After a successful well result at its Serenity oil discovery, i3 issued an additional £5 million in equity at £0.35 per Ordinary Share and, at the end of 2019, the Company had in issue 107,719,400 Ordinary Shares.

The two 2019 appraisal wells drilled at the Company's Liberator oil discovery did not produce a result capable of securing a reserve-based lending facility by November 2019, a condition of the Loan Notes, and a waiver was granted to extend the Development Funding Long-stop Date to 30 April

2020. At this time, approximately 9.5 million additional warrants were issued to the Loan Noteholders at an exercise price of £0.40 per Ordinary Share. Collectively with the abovementioned Loan Note Warrants, there were a total of approximately 56 million warrants held by the Loan Noteholders.

As the Company was not in a position to enter into a Liberator Phase I development credit facility by 30 April 2020, the Development Funding Long-stop Date obligation was removed as a condition of the Loan Notes and a new Corporate Development Long-stop Date was set for 30 September 2020 prior to which i3 has to achieve one of the following Corporate Development Long-stop Conditions:

- Secure firm irrevocable commitments for a minimum of £15 million of unsecured or fully subordinated financing, subject only to closing mechanics; or
- Agree a farm-out and/or funding term sheet, subject only to legal documentation to fund the drilling of at least one appraisal well on Serenity during 2020 or 2021; or
- Execute an acquisition agreement for at least 2500 boepd of production net to i3.

In addition, the Company has an obligation under the Loan Notes to achieve net corporate production at or above 5,000 boepd by 30 April 2021.

The Gain Transaction, upon completion, will satisfy the above Corporate Development Long-stop Conditions and the condition to achieve net corporate production at or above 5,000 boepd by 30 April 2021. A previous condition of the Loan Notes was for the Company to obtain a secondary public markets listing, however this has since been waived by the Loan Noteholders.

As part of the above Loan Note amendments, all Loan Note Warrants had their exercise price reduced to the nominal value of i3's Ordinary Shares of £0.0001 per Ordinary Share. As a requirement of the Loan Note amendments and in order to ensure alignment between the Loan Noteholders and management, certain employee share options will be cancelled and 11,847,241 replacement options will be issued to board and management at an exercise price of £0.0001 per Ordinary Share.

For the purposes of calculation, it should be considered that the Company currently has issued Ordinary Shares of 179,858,354, which takes account of all in-the-money equity-linked instruments.

The Company also has in issue 5,000 deferred shares of £10.00 each, 5,277,045 warrants with an exercise price of £0.5685 each, 1,201,201 warrants with an exercise price of £0.555 each, 1,386,001 warrants with an exercise price of £0.481 each, 1,638,002 warrants with an exercise price of £0.407 each and, 500,000 EMI options with an exercise price of £0.11 each.

As at the date of this Admission Document, the Loan Noteholders in aggregate represent c.37 per cent. of the fully-diluted share capital.

As at the date of this Admission Document, i3 employees and the Directors represent i3 ownership totalling c.18 per cent. on a fully-diluted basis.

11. OPERATIONAL HISTORY OF THE UK GROUP

i3's entry into the UKCS came in December 2016 through its acquisition of Licence P1987 Block 13/23d, containing the Liberator oil discovery. During 2017, the Company conducted a site survey over that acreage and additionally acquired and analysed seismic covering 830 km² across a number of blocks. During this process, i3 mapped a material extension of the Liberator structure into an adjacent, open-acreage licence area. The Company submitted an application (on a firm-well basis) for this licence area in the 30th UK Seaward Licensing Round. The open acreage was awarded to i3 in May 2018 as Licence P2358 Block 13/23c.

Across the remainder of 2018, i3's technical team continued to analyse seismic over the P1987 and P2358 licences, mapping a large extension of the original Liberator discovery into Block 13/23c. This extension contains two key areas referred to by the Company as Liberator West and the Minos High. In addition to the southern half of Block 13/23c containing the Liberator structures, the Company began to assess a structure in the northern portion of the block. This structure, the Serenity prospect, was an amplitude supported feature having an areal extent of circa 10 km² interpreted to be the westerly extension into Block 13/23c of the Repsol Sinopec operated Tain oil discovery. The Tain discovery well, drilled in September 2005, encountered 32° API oil in Captain and Coracle sands and the Tain field was subsequently appraised by three wells.

On 4 October 2019, the Company announced that the Serenity 13/23c-10 well had been spud. The purpose of this well was to confirm that the Serenity structure, which the Company estimated to have a P50 resource of 197 MMbbls of STOIP (recovery factors are expected to be c.50 per cent.), was hydrocarbon bearing and that it was a material extension of the Tain field situated in the adjoining Block 13/23b. On 29 October 2019, i3 announced a successful oil discovery had been made at the Serenity structure and that key geologic horizons were encountered within the prognosis tolerances. The well, drilled down dip from the Tain discovery, encountered a sequence of Captain and Coracle sands with oil confirmed in the interval from 4740ft total vertical depth subsea (“**TVDSS**”) to as deep as 5252ft TVDSS. The oil water contact was estimated to be at 5270ft TVDSS based on pressure measurements, the same level as seen in the Blake and Liberator fields. The interval contained circa 339ft measured depth (“**MD**”), 165ft TVD of sand in total, with oil in the uppermost Captain sand and in the Coracle sands at the base of the interval, and, if connected to the Tain field as i3 anticipates, represents a mapped oil column of approximately 622ft TVD in the Captain sand alone. The net oil interval in the Captain sand was c.10ft of high porosity (30 per cent.) sand. This was thicker than in the up-dip Tain discovery and consistent with the Company’s expectation that the Captain sands thicken to the west in Serenity (as demonstrated by the c.150 ft of sand seen in the offset 13/23a-7A well situated to the west of Serenity). Reservoir quality is expected to be equivalent to that seen in the Tain wells, one of which (13/23b-5Z) tested at an estimated 2750 bopd from a 5ft interval in the Captain sand. Oil samples recovered from the downhole sampling tool are expected to be of similar quality to the 32° API oil found in the Tain field. The results of the Serenity 13/23c-10 well closely aligned with the Company’s expectations and confirmed the strong commercial potential of the Serenity area, of which i3 owns 100 per cent.

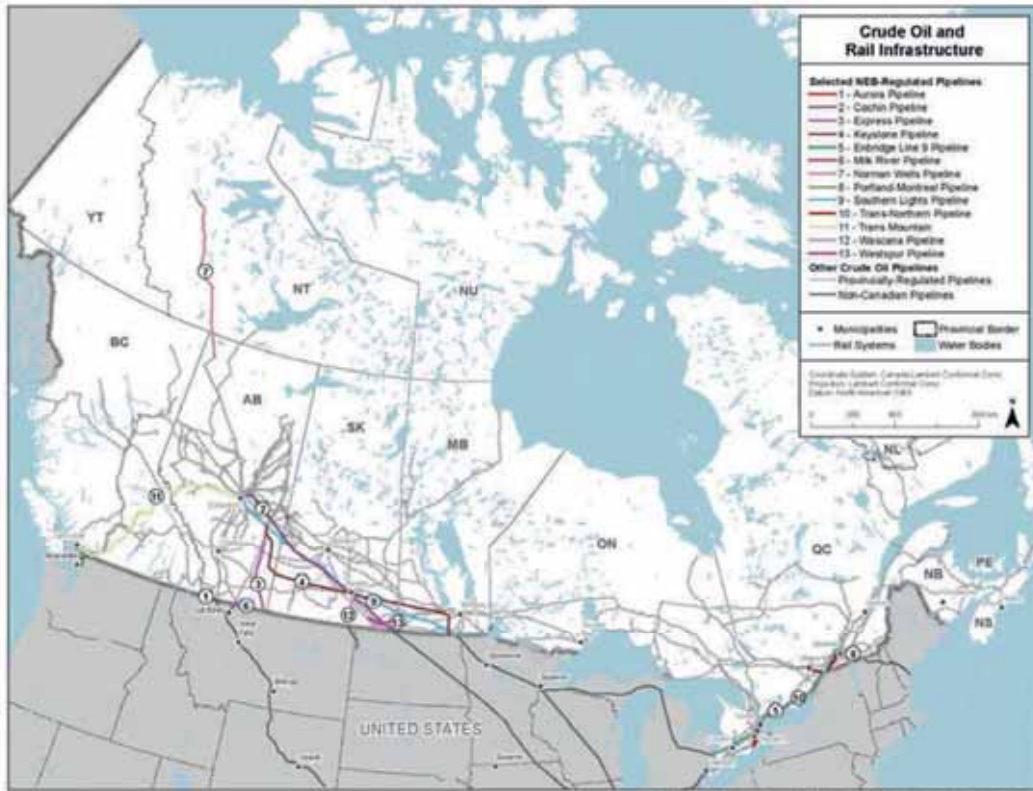
Countering the Company’s Serenity success were the two wells drilled in the potential Liberator Phase I development area, the 13/23c-9 and 13/23c-11 wells, which delivered unexpected results, with the observed oil column in the 13/23c-11 well being thinner than the level i3 would target for a development well location. As the Phase I development could not immediately proceed on the back of these results, thereby pushing potential production cash flows from the Company’s UK assets into the future, there was extreme downward pressure on the Company’s share price.

In early 2020, the Company announced that it was planning for a 2020 appraisal campaign at Serenity, subject to funding, and that a farm out process had been initiated. The unprecedented events resulting from the COVID-19 pandemic and an international price war between oil superpowers put pressure on the prospects of a farm out that would result in that campaign proceeding during the 2020 drilling season. However, parties remain engaged with i3 on its UK assets and the Directors remains hopeful that an offer will be made for early 2021 appraisal drilling that is capable of acceptance. Subject to having sufficient residual cash, i3 may in the future consider redeploying cash from its Canadian operations to fund further Serenity appraisal.

12. CANADIAN OIL & GAS FISCAL REGIME

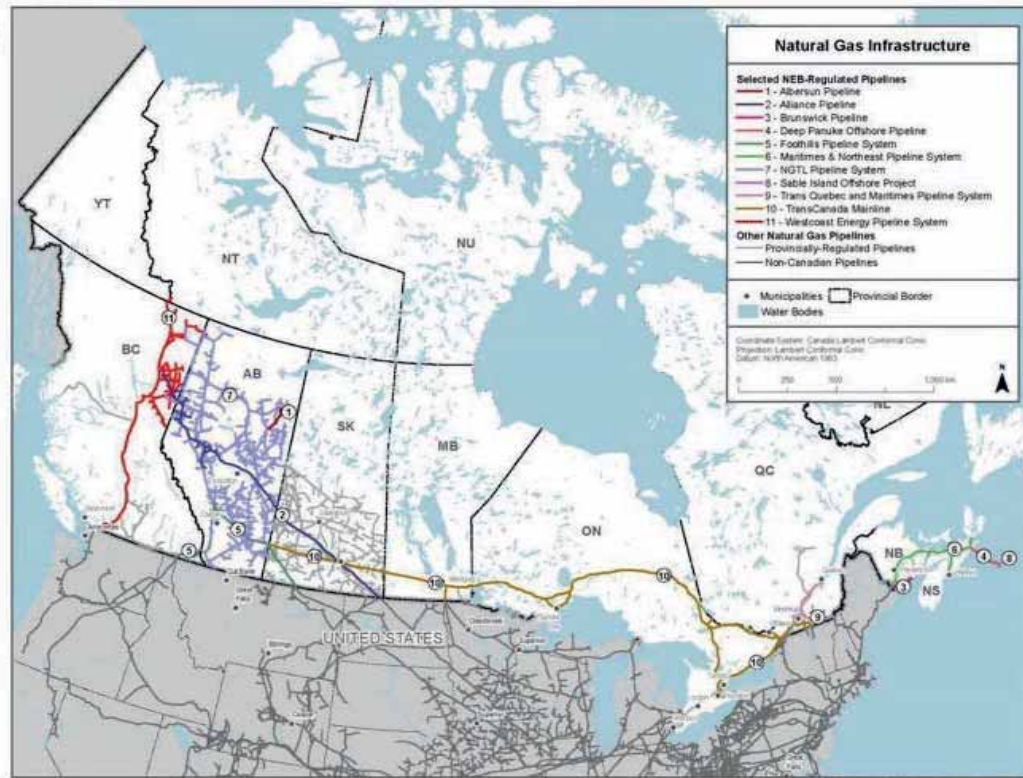
A summary of the Canadian oil and gas fiscal regime can be found at: <https://assets.kpmg/content/dam/kpmg/ca/pdf/2018/05/oil-gas-guide.pdf>

TRANSPORTATION BY PIPELINE AND RAIL



TRANSPORTATION

BY PIPELINE



13. FUTURE PROSPECTS AND STRATEGY OF THE ENLARGED GROUP

The Company's initial strategy post-Admission is to:

As it relates to the WCSB

- to consider the use of entering into hedging contracts to avoid the impacts of volatile commodity prices;
- integrate select staff from Gain to ensure operational continuity and knowledge retention;
- optimise Gain's under capitalised portfolio, concentrating on low-cost workovers and opex that maintains or increases current production levels;
- complete the Toscana Acquisition and undertake systems integration for the Enlarged Group;
- identify non-core assets within the Gain and Toscana portfolios that can be divested or farmed out;
- seek out additional overleveraged or non-core developed producing portfolios that contain material upside and can be acquired within i3's acquisition parameters; and
- prioritise high-return, on-acreage drilling opportunities to deliver PUD and/or 2P reserves to production when demand and pricing across the commodity streams (oil, NGLs, gas) dictates.

As it relates to the UK North Sea

- continue to pursue an appraisal farm-down of Serenity and Liberator West;
- maintain rig and services optionality to conduct further appraisal drilling during optimal 2020 or 2021 seasonal windows; and
- analyse potential assets coming available in upcoming licensing rounds.

In conjunction with the above, the Directors intend to grow the business in the longer term through the acquisition of additional production, development and appraisal assets using its existing networks within the oil and gas industry and in particular, in the UK North Sea and the WCSB. As part of this strategy, the Company intends to focus on opportunities which are broadly within the following criteria:

- geographical location within proven and mature basins where the Enlarged Group has detailed knowledge;
- assets in production with deliverable upside, having net reserves in excess of approximately 10 MMboe and production, or achievable near-term production, in excess of approximately 5,000 boepd;
- opportunities whereby members of the Enlarged Group would assume operatorship of the underlying oil and gas assets, with a high percentage working interest;
- low acquisition costs, appraisal and development capital expenditures, with the ability to generate significant value creation multiples;
- low finding, development and operating costs; and
- low exposure to decommissioning liabilities.

Whilst the Company is focused on entering accretive production ventures where additional value can be unlocked in the near term, this will not preclude it from considering each new opportunity in terms of relative value creation within the context of the overall objectives of the Company. This approach may include divestments, acquisitions, farm-ins, farm-outs and exchanges of interests. The Enlarged Group's acquisition strategy is intended to be primarily funded from cash flows produced from the Gain Assets. However, the Board may consider alternative funding sources as appropriate, including accessing equity and debt capital markets.

The Directors believe that the Proposals will offer the Enlarged Group numerous benefits, including:

- greater potential access to capital in the future;
- the potential to attract a broader investor base;
- having an ongoing market for the Ordinary Shares of the Company; and
- the ability to retain and attract high quality employees through performance-based equity incentives.

14. KEY STRENGTHS

The Directors believe that the corporate strategies of the Company and the Enlarged Group are underpinned by the following key strengths:

The Enlarged Group's management team and Board have substantial experience in the oil and gas industry

The Enlarged Group has a strong technical team, with combined experience of approximately 200 years. In addition, the members of the senior management team have significant financial, geoscience and operational expertise and have demonstrated their ability to identify, acquire and evaluate highly productive E&P portfolios.

The Company's breadth of technical, operational and commercial expertise is complemented by the Board which has extensive experience in the oil and gas industry and a track record of creating and realising shareholder value through both organic growth and corporate activity. The Directors have held senior positions in large, medium and small oil and gas companies, several of which are listed on either AIM, the Main Market in London, Toronto's TSX or TSX Venture Exchanges.

The Company benefits from an international commercial and operational network

i3 has developed an international network of high-quality industry commercial representatives who provide the Company with a wide range of skills. These include verification of internal work, exposure to broader expertise and techniques, and greater access to international deal flow and field development services. A collaborative approach within this network has supported the Company in attaining a strong position for the identification, acquisition, and development of potential opportunities. This will continue to form a core part of the Enlarged Group's strategy.

Significant near-term cash flow plus upside potential from long-life, low-decline assets

The Gain Assets are expected to provide material cash flow from approximately 9,000 boepd of production. Free cash flow will be partially directed towards dividends to Shareholders with the

residual being redeployed towards the acquisition of developed producing assets or the development of on-acreage PUD/2P reserves in order to increase shareholder value.

Low country risk

The Enlarged Group will operate in the UK and Canada, which are established petroleum regions with many oil and gas producers and significant infrastructure in place. The regulatory regimes in these countries are considered by the Directors to be both predictable and streamlined and the political situation is very stable in each, both ranking high on global transparency rankings. A summary of the regulatory environment of each country is set out in Parts VII and VIII of this Admission Document. The UK North Sea and Western Canadian Sedimentary Basin host a wide range of oil and gas companies from small independent start-ups to super-majors and there is an active market for buying and selling oil and gas assets and companies in each region.

15. BOARD AND MANAGEMENT

i3 has assembled a highly experienced and qualified team of technical, operational and financial oil & gas professionals. The Aberdeen-based team has collectively accumulated approximately 200 years of direct operating experience through employment in a wide range of super major, large independent and start-up enterprises. Various members of the management team have extensive track records of building effective development and production organisations. Since being approved in December 2016 as an operator in the UKCS, i3 Energy North Sea has been strengthened by the addition of personnel with extensive North Sea development and operational experience. i3 Energy North Sea's core staff are supplemented by the insourcing of experienced consultants and through strategic alliances with key service providers. Current operations are run from i3 Energy North Sea's UK office located near Aberdeen, Scotland.

In total, the UK Group has 9 employees (excluding the two executive Directors) located in its Aberdeen and London UK offices and also utilises the services of several professionals on a consulting basis.

16. DIRECTORS

At Admission, the Board will comprise two executive Directors and three non-executive Directors (including the Interim Chairperson) whose biographical details are set out below:

Majid Shafiq, Chief Executive Officer (aged 56)

Mr Majid Shafiq has over 30 years of technical and investment banking experience focused on the global E&P sector. Prior to founding Argentil Capital Partners (UK) Limited as CEO in 2015, Majid spent circa fifteen years in energy investment banking advising on asset level acquisitions and divestments, corporate M&A and equity financing for the private and public, small to mid-cap oil and gas sector. During that time he worked for Waterous and Co, Tristone Capital Ltd and latterly with FirstEnergy Capital LLP as Managing Director, Corporate Finance. Prior to his investment banking career, he worked for Mobil Oil Corporation for 13 years in various petroleum engineering and commercial roles in the UK and the Netherlands. Majid holds a Bachelors degree in Nuclear Engineering from Manchester University, a Masters degree in Petroleum Engineering from Heriot-Watt University and an MBA from London Business School.

Mr Shafiq served as a Non-executive Director of the Company until 8 October 2018 at which time he succeeded Mr Neill Carson as Chief Executive Officer of the Company.

Graham Heath, Chief Financial Officer (aged 46)

Prior to co-founding i3 in late 2014, Mr Heath served as VP Corporate Development and later as Interim CFO at Iona Energy Inc. ("Iona") from December 2010 alongside Mr Carson. During his time at Iona, Mr Heath worked with the senior management team to build the company from infancy to 40 MMboe of 2P reserves and production above 6,000 boe/day, listing the company on the Toronto Venture Exchange, and structuring equity, debt, and derivative financings in excess of US\$670 million. As VP Corporate Development he was a proactive engager of all external stakeholders and as Interim CFO led a finance and administration team that expanded internal financial controls while improving quarter-on-quarter quality and delivery of financial reporting. Before joining Iona, Mr Heath's 14 year career focused on energy-related tech startups and consulting within Alberta's Oil and Gas Industry. Between 1998 and 2010, Mr Heath consulted to Colt Engineering, PanCanadian Petroleum, EnCana Corporation and Cenovus Energy. From 2002 to 2006,

Mr Heath was Co- founder and VP of Strategic Development for The CO2 Hub – a marketplace created to facilitate the sale and purchase of carbon dioxide and its related purification, compression, storage, and transportation services – designed to foster the aggregation of CO2 supply and demand for its use in enhanced oil recovery. Mr Heath holds a Bachelor of Commerce from the University of Calgary.

Linda Beal (nee Coxon), Non-Executive Chairperson (aged 59)

Ms Linda Beal has over 30 years' experience advising international E&P clients and since 2016 has been a board member of numerous companies. As a director of other small cap natural resources businesses, she brings corporate governance and financial expertise and experience as Audit Committee Chair. Ms Beal joined Grant Thornton in 2014 as a Tax Partner and was Global Leader for Energy and Natural Resources, mandated to build its global energy and natural resources capability. Previously, Ms Beal spent 30 years at PwC and its legacy firm Price Waterhouse in Audit and Tax, 16 of them as a Partner. Launching PwC's Natural Resources Independents business in the mid-2000s, she focused on advising international E&P clients across the AIM, FTSE350, overseas listed and private sectors. Ms Beal graduated in 1982 from the University of Nottingham with a BSc (Hons) in Mathematics, thereafter qualifying at Price Waterhouse as a Chartered Accountant in 1985.

Neill Carson, Non-executive Director (aged 61)

Mr Carson has 38 years of management and international project experience in the oil & gas industry. On completion of his Bachelors (with First Class Honours) and Master degrees in the geosciences from Ulster University and Birmingham University respectively, he joined Amoco in 1981. During his 14 years with Amoco he was responsible for numerous exploration and production projects within the UKCS. His international career widened through exploration management positions for BP Amoco in the Netherlands, Bolivia, and Pakistan. As Performance Unit Leader for BP Pakistan, Mr Carson was responsible for the delivery and growth of approximately 12,000 boe/day and capital budgets in excess of US\$50m. Through his career with BP Amoco, Mr Carson executed growth plans through successful oil and gas discoveries, and the development and management of commercial portfolios. He contributed as a select member of a targeted team to BP's world-wide new venture screening initiative in 2003. In early 2004, Mr Carson co-founded Ithaca Energy Inc. ("Ithaca") where he served as its President and a Director from April 2004 and acted as Chief Operating Officer until late 2007. While at Ithaca, Mr Carson was responsible for asset acquisitions, all aspects of operations and safety, general corporate strategy, and the drilling of four successful oil wells. Across his 4 years with Ithaca, the portfolio grew to 39 MMboe of 2P reserves and was on plan to deliver 8,000 boe/day of production. Mr Carson founded Iona in late 2007 where he served as Chief Executive Officer until his departure in mid 2014 to form i3. Responsible for all aspects of corporate strategy and portfolio development, he grew Iona to 40 MMboe of 2P reserves and saw peak production of 6,700 boe/day.

Mr Carson served as Chief Executive Officer of the Company until 8 October 2018 at which time he was succeeded by Mr Majid Shafiq.

Richard Ames, Non-Executive Director (aged 64)

Mr Richard Ames brings to the Board 36 years of broad range experience in the oil and gas industry with senior executive roles in full-cycle oil and gas exploration and production, information technology and oil and gas services. He has held several Vice President positions in TNK-BP, Sidanco, and Amoco in Russia & Kazakhstan, where he was responsible for government liaison, the implementation of business strategies and the management of exploration and new venture projects. He has recently held Board and Advisory Board of Director positions in Iona, Accenture Russia, the Kiawah Conservancy, and DataSpace. Mr Ames graduated from Duke University with a Bachelor of Science degree in Geology, and from the University of Georgia with a Master of Science in Geology. He joined Amoco in 1981 and worked as a geologist responsible for reserve definition in several international petroleum basins including the North Sea.

17. SENIOR EMPLOYEES

In addition to the executive and non-executive Directors of the Company, the following senior employees are considered relevant in establishing that i3 has appropriate expertise and experience for the management of its business.

The management expertise and experience of these employees is set out below.

John Woods, Chief Development Officer

Mr Woods has 38 years of experience in the UK oil industry, including 14 years as a Petroleum Engineer and 21 years in Operations Management. He holds a Bachelor of Science degree in Engineering Science from Leicester University from where in 1981 he joined BNOC (based in Glasgow and Aberdeen) as a graduate trainee, gaining experience in all aspects of reservoir engineering, process engineering, petrophysics and joint venture management as well as working offshore on fixed production platforms and mobile drilling rigs. In 1987, Mr Woods moved to London working as a petroleum engineer for Texas Eastern before joining Amerada Hess Ltd in 1989. John was Lead Petroleum Engineer for Hess' Scott development project taking the project through concept selection, development drilling and construction. In 1992, Mr Woods moved to Aberdeen with Hess to establish their Operations Petroleum Engineering department in advance of the Scott project becoming operational. Mr Woods then moved into Operations Management, initially as field superintendent for the Hudson and Fife producing fields and then as Asset Manager for the Ivanhoe / Rob Roy complex and finally as Asset Manager for the Scott facility (one of the UK's largest producing assets). On leaving Hess in 2002, Mr Woods worked for a leading petroleum consultancy in charge of their wells and chemistry teams before taking up a role as Production Services Director at Wood Group Engineering in Aberdeen in 2003. After establishing Wood Group's operational capability as a service company 'Duty Holder', Mr Woods joined Ithaca Energy in 2006, serving as Chief Development Officer and Chief Operations Officer through to 2015. Mr Woods saw the company through initial flotation on the London and Toronto Stock Exchanges and subsequent equity, debt and bond financings. Mr Woods developed several new North Sea oilfields as well as taking over operation of some very mature late life assets. Ultimately, oil production at Ithaca rose to over 15,000 bopd through organic project delivery, acquisition of shares in producing assets and acquisition of other companies. Whilst at Ithaca, his direct reports included the drilling, projects, production and safety departments. Mr Woods joined i3 in May 2016 to take up a similar role to that which he held at Ithaca.

Mihai Butuc, Manager New Ventures

Mr Butuc is a petroleum geoscientist with broad experience in oil and gas exploration and development, acquired in over 34 years of his international career. Specialising in interpretation and integration of data and disciplines, he is a generator of new and successful exploration ideas, a confirmed oil finder, mainly in highly explored basins. After graduating as a Diplomat Engineer, Geology and Geophysics from University of Bucharest in 1985, and after three years in the mining industry, Mr Butuc joined Prospectiuni S.A. as petroleum geologist where he specialised in seismic interpretation and basin modelling. Then, between 1993 and 1996 as Chief of Integrated Interpretation Service of Petrom, he led successful exploration and reservoir projects on and offshore Romania. Mr Butuc joined Halliburton in 1996, and spent eight years as a consultant for Total in Paris working in new ventures, exploration and development projects in North and South America, Africa, Europe, Middle East and Central Asia. In 2004 he moved to Halliburton Asset Performance Centre in Aberdeen where, besides leading and working on projects mainly in Europe, Kazakhstan and the Middle East, he built and managed E&P portfolios for new entrants in the UKCS. He then focused on the North Sea and joined Ithaca Energy in 2006 followed by Dana in 2013, where besides supporting organic growth through new exploration prospects, he identified high return acquisition targets with significant upside and quick payback.

Canghu Yang, Senior Petroleum Engineer

Mr Yang has over 24 years in the oil & gas industry with well-established experience in a wide range of oil field developments in Offshore West Africa, the North Sea and onshore China, specialisation in reservoir performance analysis, matured field redevelopment, production optimisation, reservoir simulation, material balance, DCA, pressure analysis, EOR, and petroleum economics evaluation. Prior to joining i3 in early 2019, Mr Yang was Chief Exploitation Engineer at CNR International in Aberdeen, where he was responsible for all technical aspects of Reservoir Engineering for Canadian

Natural Resources Limited (CNRL)'s assets outside of Canada, including South and West Africa, and the North Sea, managing a dozen reservoir engineers to ensure high quality work on all projects in CNRL's international division. After spending the first 11 years of his career as a reservoir engineer at CNPC and Sinopec in China, Mr Yang spent time as a research assistant on post-doctoral projects at Heriot Watt University in Edinburgh to investigate the impact of upscaling methods on reservoir simulation in a shallow marine depositional environment. Mr Yang has a Diploma in Petroleum Geosciences and an MSc in Petroleum Engineering from the Department of Petroleum Engineering at Chengdu College of Geology in China, and a PhD in Petroleum Engineering from the T. H. Huxley School of Environment, Earth Sciences and Engineering at Imperial College in London, England.

Colin Tannock, Geoscience Evaluator

Mr Tannock has over 38 years' experience in the UK North Sea. Colin started his career at Conoco North Sea in 1978 as a development geologist and petrophysicist in the UK North Sea Fields. Mr Tannock went on to become Chief Geologist at Aran Energy Exploration before joining Talisman Energy UK as Area Exploration Manager at where he spent 11 years and was part of the team that discovered and appraised the Beaulieu oilfield, an untapped pool north of Beatrice and the development of the Halley field for Shell's Fulmar platform. Most recently Mr Tannock was Chief of Subsurface at Iona Energy from 2011 to 2015. Prior to this Mr Tannock was the Geoscience and Exploration Manager for TAQA Bratani where he was a member of the evaluation team that successfully proposed the acquisition of Shell's Northern Fields to TAQA. Mr Tannock gained a bachelors degree in geology from the University of Glasgow, followed by an MBA from the University of Strathclyde.

Ian Little, Drilling & Operations Manager

Mr Little has over 36 years of experience in the oil and gas industry with BP as a Vice President and Wells Engineering and Operations Manager. After leading wells teams across the globe, he became the Vice President of BP's global wells organisation, responsible for Major Projects and Operated by Others. In this role he developed BP's strategy for delivering wells as part of an integrated organisation, from selecting the right concept through to delivering the detailed basis of design and cost estimates. The projects sanctioned under his leadership include the giant Shah Deniz phase 2 HPHT gas field in Azerbaijan, Oman's first onshore tight gas field and BP Trinidad's first subsea oil development. In this role he also developed BP's global strategy for wells decommissioning. Mr Little has led wells engineering and operations teams in established and emerging basins across North Africa, Gulf of Mexico, and the North Sea. In these roles he was seen as a leader who could build high performing multi-disciplinary teams and deliver technically challenging projects safely and competitively.

Sheri Barton, Manager Finance and Admin, Corporate Secretary

Ms Barton has over 30 years of extensive finance and administration experience in various private and public companies. She has held senior management positions relating to finance, regulatory reporting, administration, controls and reporting procedures, strategic planning, acquisitions, due diligence and business development. Prior to joining i3, Ms Barton held the role of International Corporate Manager at Iona, working with its senior management team in the areas of finance and administration. Previously, Ms Barton owned a consulting firm working with numerous start-up and mid-size companies in all aspects of their business. She has additionally worked with numerous senior management teams to list companies on various Canadian exchanges, developing and executing their investor relations programs, and performing corporate secretarial duties.

18. DETAILS OF THE FUNDRAISING

a) The Placing

Each of the Brokers has conditionally agreed, pursuant to the Placing Agreement, to act as agent for the Company and use its reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price. The Placing is not being underwritten. The Placing will raise approximately £18.85 million (approximately US\$24.69 million) for the Company (before commission and expenses). The Placing Shares are being placed with certain existing and new institutional and other sophisticated investors.

The Company has conditionally placed the Placing Shares. As the Company does not have sufficient authority to allot the Placing Shares in full for cash on a non pre-emptive basis, the

placing of the Placing Shares is conditional upon, *inter alia*, the passing of Resolutions 2 and 3 at the General Meeting, which is expected to be held on 27 August 2020, and admission of the Placing Shares occurring on or before 28 August 2020 (or such later date as the Brokers may agree, not being later than 11 September 2020). Following their admission, the Placing Shares will represent approximately 54.73 per cent. of the Company's then Enlarged Share Capital.

The Placing Shares will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, paid or made after the date of issue, and will be placed free of any expenses and stamp duty.

Under the terms of the Placing Agreement, the Brokers will receive commission from the Company conditional on Admission and the Company will give customary warranties and undertakings to the Brokers in relation, *inter alia*, to its business and the performance of its duties. There is no other investment banker, broker, finder or other intermediary other than PrimaryBid that has been retained by or is authorised to act on behalf of the Company who might be entitled to any fee or commission in connection with the Placing. In addition, the Company has agreed to indemnify the Brokers in relation to certain liabilities that they may incur in undertaking the Placing. Each of the Brokers has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event that there has been, *inter alia*, a material breach of any of the warranties given by the Company and/or the Directors to the Brokers.

In the case of investors receiving Placing Shares in uncertificated form, it is expected that the appropriate CREST accounts will be credited for the Placing Shares with effect from 28 August 2020. In the case of investors receiving Placing Shares in certificated form, it is expected that certificates will be dispatched by post, within 14 days of the date of Admission.

Further details of the Placing Agreement are set out in paragraph 12.1.1 of Part IX of this Admission Document.

b) **The Subscription**

The Subscribers have entered into the Subscription Letters with the Company pursuant to which the Subscribers have agreed, conditional upon Admission occurring, to subscribe for the Subscription Shares at the Issue Price to raise approximately £9.425 million. For further information on the Subscription Letters, please refer to paragraph 12.1.1 of Part IX of this Admission Document.

In addition, each of the Funds has entered into a further conditional subscription letter with the Company (the "**Conditional Subscription Letters**") to collectively subscribe for up to £942,637 worth (the "**Maximum Subscription Amount**") of new Ordinary Shares at the Issue Price (such shares being the "**Bybrook Further Subscription Shares**"), which if allotted, would result in the Company raising gross proceeds of £30 million between the Fundraising and this subscription. It is anticipated that the Bybrook Funds will on Admission collectively be interested in just under 30 per cent. of the Enlarged Share Capital. Accordingly, to the extent that allotting the Bybrook Further Subscription Shares would result in the Bybrook Funds collectively being interested in 30 per cent. or more of the Company's issued share capital following such allotment, it will be a condition of such allotment that it be approved in advance by both the Panel and the i3 Shareholders in a general meeting in accordance with the Takeover Code and that Admission shall have occurred by no later than 28 August 2020 (or such later date as may be agreed) (the "**Implementation Conditions**"). The Bybrook Funds subscribed for Ordinary Shares in the Company in December 2019. Accordingly, and in accordance with the Takeover Code, it is anticipated that the earliest time that the Company could seek satisfaction of the Implementation Conditions would be during December 2020. To the extent the Implementation Conditions are not capable of satisfaction, the Bybrook Further Subscription Shares shall never be allotted and the associated subscription monies not received by the Company. The Maximum Subscription Amount will be reduced on a pound for pound basis, by (i) any cash amounts subscribed for new Ordinary Shares secured by, or on behalf of, the Company between the date of publication of this Admission Document and 31 October 2020, and/or (ii) an amount equal to any pre-completion downward adjustment to the Net Consideration payable by the Company. Accordingly, the Maximum Subscription Amount may be reduced to £nil and the Bybrook Further Subscription Shares therefore may never be allotted. As consideration for entering into the Conditional Subscription Letters, the

Company has agreed to pay the Bybrook Funds an aggregate fee of £150,000 conditional upon Admission. Such fee shall be settled in full by the issue of 3,000,000 new Ordinary Shares (the “**Bybrook Fee Shares**”) on Admission. Such fee shall be payable regardless of whether all or any part of the Maximum Subscription Amount is subscribed pursuant to the Conditional Subscription Letters. For further information on the Conditional Subscription Letters, please refer to paragraph 12.2 of Part IX of this Admission Document.

The Subscription Shares, together with the Bybrook Fee Shares, will represent 27.79 per cent. of the Enlarged Share Capital on Admission.

The Company has conditionally placed the Subscription Shares and the Bybrook Further Subscription Shares. As the Company does not have sufficient authority to allot the Subscription Shares and the Bybrook Further Subscription Shares in full for cash on a non pre-emptive basis, the proposed issue of the Subscription Shares and the Bybrook Further Subscription Shares is conditional upon, *inter alia*, the passing of Resolutions 2 and 3 at the General Meeting, which is expected to be held on 27 August 2020.

The Subscription Shares and the Bybrook Further Subscription Shares will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, paid or made after the date of issue, and will be issued free of any expenses and stamp duty.

c) **PrimaryBid**

PrimaryBid has conditionally agreed, pursuant to the PrimaryBid Engagement Letter, to act as agent for the Company and use its reasonable endeavours to procure subscribers for the PrimaryBid Shares at the Issue Price. The PrimaryBid Offer is not being underwritten. The PrimaryBid Offer has raised £632,546 (approximately US\$828,636) for the Company (before commission and expenses).

The Company has conditionally placed the PrimaryBid Shares. As the Company does not have sufficient authority to allot the PrimaryBid Shares in full for cash on a non pre-emptive basis, the placing of the PrimaryBid Shares is conditional upon, *inter alia*, the passing of Resolutions 2 and 3 at the General Meeting, which is expected to be held on 27 August 2020. Following their admission, the PrimaryBid Shares will represent approximately 1.84 per cent. of the Company's then Enlarged Share Capital.

The PrimaryBid Shares will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, paid or made after the date of issue, and will be placed free of any expenses and stamp duty.

In the case of investors receiving PrimaryBid Shares in uncertificated form, it is expected that the appropriate CREST accounts will be credited for the PrimaryBid Shares with effect from 28 August 2020. In the case of investors receiving PrimaryBid Shares in certificated form, it is expected that certificates will be dispatched by post, within 14 days of the date of Admission.

Further details of the PrimaryBid Engagement Letter are set out in paragraph 12 of Part IX of this Admission Document.

19. USE OF PROCEEDS

The gross proceeds of the Fundraising to the Company are approximately £29 million (approximately US\$38 million) and are currently intended to be applied as follows:

Net Consideration	£20 million
Finance & Legal Costs	£2 million
General Corporate Purposes	£2 million
Production acceleration	£5 million

20. EMPLOYEES, EMPLOYEE SHARE SCHEMES AND PENSION SCHEMES

i3 employs 9 staff, excluding the two Executive Directors.

Employees participate in share option schemes and all current employees are entitled to participate in the Employee Plan, see paragraph 6 of Part IX of this Admission Document for details.

The Company currently operate a pension scheme through NEST for all eligible employees.

21. CORPORATE GOVERNANCE AND BOARD PRACTICES

The Board recognises its responsibility for the proper management of the Company and is committed to maintaining a high standard of corporate governance. The Directors also recognise the importance of sound corporate governance commensurate with the size and nature of the Company and the interests of its Shareholders. The Corporate Governance Code does not apply to companies quoted on AIM and there is no formal alternative for AIM companies. The Quoted Companies Alliance has published a set of corporate governance guidelines for AIM companies, which include a code of best practice comprising principles intended as a minimum standard, and recommendations for reporting corporate governance matters. The Directors intend to comply with the QCA Corporate Governance Guidelines for Smaller Quoted Companies so far as it is practicable having regard to the size and current stage of development of the Company. The Board currently comprises two executive Directors (being the Chief Executive Officer and the Chief Financial Officer) and three non-executive Directors (including the interim Chairperson).

Ms Linda Beal, Mr Neill Carson and Mr Richard Ames (these being the three non-executive Directors) are, in the opinion of the Board, independent in character and judgment.

The share options held by the non-executive directors and the ordinary shares held by Neill Carson from his time spent as an executive director of the Company are outlined in paragraph 6 of Part IX of this Admission Document. Ms Linda Beal and Mr Richard Ames hold an interest in shares through holding options over 123,508 and 534,376 Ordinary Shares, respectively. Mr Richard Ames also currently holds 204,575 Ordinary Shares. Consequently, given this relatively small percentage of options over which they hold shares, it is not considered that such an interest would compromise their independence with regards to the Board's decision-making process.

The Board's decision-making process is not dominated by any one individual or group of individuals. None of the Directors have any potential conflicts of interest between their duties to the Company and their private interests and/or duties owed to third parties.

The composition of the Board will be reviewed regularly and strengthened as appropriate in response to the Company's changing requirements. Appropriate training and an induction programme will be undertaken in respect of all Directors on appointment and subsequently as necessary, taking into account existing qualifications and experience.

The Board intends to have a minimum of four Board meetings per year, including physical meetings at least two times a year, which also shall include an annual strategy day. At these meetings, the Board will review the Company's long-term strategic direction and financial plans. All necessary information will be supplied to the Directors on a timely basis to enable them to discharge their duties effectively. Certain matters are reserved for consideration by the Board whilst other matters are delegated to Board committees. The Board is responsible for leading and controlling the Company and, in particular, for formulating, reviewing and approving the Company's strategy and budget.

The Board has established the following committees:

(a) Audit Committee

The role of the audit committee is to assist the Board in discharging its responsibilities with regard to monitoring the integrity of the Company's financial reporting, to review the Company's internal control and risk management systems, to monitor the effectiveness of the Company's external and internal audit function and to oversee the relationship with the Company's external auditors. The audit committee focuses particularly on compliance with legal requirements, accounting standards and the AIM Rules and ensures that an effective system of internal financial control is maintained.

The audit committee is chaired by Ms Beal and the other member is Richard Ames. The audit committee will meet at least two times a year with further meetings as required. The Chief Executive Officer, the Chief Financial Officer, other Directors and representatives from the finance function may also attend and speak at meetings of the audit committee. No members of the audit committee have links with the Company's external auditors.

The terms of reference of the audit committee are available on the Company's website.

(b) **The Corporate Governance Committee (“CG Committee”)**

The primary purposes of the CG Committee are to develop and recommend to the Board guidelines, policies and procedures relating to corporate governance; identify individuals qualified to become Board members; recommend to the Board director nominees for election to the Board; recommend to the Board committee composition and appointments; evaluate the performance and effectiveness of the Board and committees of the Board; and, review and make recommendations to the Board on non-employee director compensation.

The CG Committee will meet at least twice a year or as otherwise required. The CG Committee is chaired by Ms Beal and the other member is Neill Carson. The Chief Executive Officer, the Chief Financial Officer and other Directors may also attend and speak at meetings of the CG Committee.

The terms of reference of the CG Committee are available on the Company’s website.

(c) **Reserves Committee**

The reserves committee assists the Board in monitoring and reviewing the appointment of an independent engineering firm retained by the Company to report on the quantity and the value of the Company’s oil and gas reserves and resources. The reserves committee reviews the procedures by which the Company provides information to the independent engineering firm to be used as the basis of evaluation and audit, ensuring disclosure complies with applicable laws and regulations, and is also responsible for matters relating to the preparation and public disclosure of estimates of the Company’s reserves and resources. In addition, the reserves committee would monitor any of the Company’s future joint venture partners to ensure policies and procedures are in place to minimise environmental, occupational health and safety and other risks such that damage to or deterioration of asset value is mitigated.

The reserves committee will meet at least twice a year. The reserves committee is chaired by Mr Carson and the other member is Mr Ames. The Chief Executive Officer, the Chief Financial Officer and other Directors may also attend and speak at meetings of the reserves committee.

The terms of reference of the reserves committee are available on the Company’s website.

(d) **Remuneration Committee**

The role of the remuneration committee is to determine and agree with the Board the broad policy for executive and senior employee remuneration, as well as for setting the specific remuneration packages (including pension rights and any compensation payments of all executive Directors and the Chairman) and recommending and monitoring the remuneration of the senior employees. In accordance with the remuneration committee’s terms of reference, no Director shall participate in discussions relating to or vote on his own terms and conditions of remuneration. Non-executive Directors’ and Chairman’s fees will be determined by the Board.

The remuneration committee will meet at least twice a year and as otherwise required. The remuneration committee is chaired by Mr Ames and the other member is Ms Beal. The Chief Executive Officer, the Chief Financial Officer and other Directors may also attend and speak at meetings of the remuneration committee.

The terms of reference of the remuneration committee are available on the Company’s website.

22. TAXATION

Your attention is drawn to the taxation section contained in Part IX of this Admission Document. If you are in any doubt as to your own tax position, you should consult your own independent financial adviser without delay.

23. HEDGING

The Company has a policy to hold cash balances in the most appropriate currency to mitigate foreign exchange price exposures.

The Gain Transaction comes without hedging. Following completion of the Gain Transaction, i3 will seek to hedge a quantity of future production that will protect the Company’s intention to pay a dividend of between 20 per cent. and 30 per cent. of free cash flow to Shareholders. This is subject to the information on dividend policy as contained in paragraph 29 of Part I and paragraph 5.3 of Part IX of this Admission Document.

24. CURRENT TRADING AND PROSPECTS

In addition to the transactions discussed within this document, the Company's management intends to remain lean and cost efficient while the oil & gas sector continues to struggle under the impacts of COVID-19, making access to capital more difficult for smaller companies such as i3. As at 4 August 2020, the Group had approximately £883,233.50 of cash in the bank.

25. LOCK-IN ARRANGEMENTS AND ORDERLY MARKETING UNDERTAKINGS

Pursuant to Rule 7 of the AIM Rules for Companies, the Directors (for themselves and persons associated with them) have undertaken to the Company and WH Ireland not to dispose of their respective interests in Ordinary Shares for a period of 12 months following Admission subject to the exceptions provided for in Rule 7 of the AIM Rules for Companies.

The Directors have further agreed with the Company and WH Ireland not to dispose of any of their interests in Ordinary Shares, for a further 12 months, except through the Brokers, so as to maintain an orderly market in the Ordinary Shares. Further details of these arrangements are set out in paragraph 12 of Part IX of this Admission Document.

26. SHARE OPTIONS

The Company considers it essential that its Directors, Senior Managers and employees are appropriately incentivised to create future value for Shareholders. This is particularly important in the context of the Enlarged Group, whereby it will be important that key employees of Toscana, who it is anticipated will become part of the Enlarged Group in due course, are appropriately incentivised.

The Company currently has in place the i3 Energy plc 2017 Employee Share Option Plan (the "**Employee Plan**") and the i3 Energy plc 2017 Non-Employee Share Option Plan (the "**Non-Employee Plan**") and, together with the Employee Plan, the "**Existing Share Plans**"), further details on which are disclosed in paragraphs 6 of Part IX of this Admission Document.

As disclosed in the Company's RNS dated 23 June 2020, it is a condition of the amendments that were made to the Loan Notes and the associated Loan Note Warrant Instruments on 24 June 2020 that the outstanding options under the Existing Share Plans will be cancelled and replaced with new options (the "**Re-priced Options**"), which replicate the terms of the Loan Note Warrants Instruments (as amended) in relation to the exercise price, to seek alignment between Loan Noteholders and the Company's management and Directors. Accordingly, it has been agreed that, following the publication of this Admission Document, the Company will proceed to cancel all of the outstanding options under the Existing Share Plans and replace them with 16,157,612 the Re-priced Options i3 intends to reserve 4,097,741 of the Re-priced Options for employees of Toscana who join the Group following completion of the Toscana Acquisition. The Re-priced Options will have an exercise price of £0.0001 and will vest as follows:

- a total of 4,223,528 Re-priced Options will vest immediately (equivalent in number to previously vested options granted under the Existing Share Plans);
- 50 per cent. of the unvested Re-priced Options will vest on the earlier of the Company obtaining: (i) £15 million of unsecured or fully subordinated financing; (ii) an appraisal farm-out or funding term sheet for Serenity; and (c) a net acquisition of 2,500 boepd; and
- 50 per cent. of the unvested Re-priced Options (or 100 per cent. if 50 per cent. have not yet vested under the bullet above) vest on the earlier of: (i) the Company achieving 5,000 boepd of corporate production; and (ii) 31 October 2021.

Further details of the Re-priced Options are set out in paragraph 6 of Part IX of this Admission Document.

The Company also intends to make: (i) conditional on Admission, awards over 43,248,832 Ordinary Shares to employees and Directors of the Enlarged Group; and (ii) awards over 31,935,420 Ordinary Shares to employees of i3 Canada following completion the Gain Transaction and, separately, the Toscana Acquisition (together, the "**New Options**"). The New Options will have an exercise price equal to the Issue Price and be granted under the terms of the Existing Share Plans.

The New Options will vest after three years, subject to accelerated vesting on the following performance targets being met:

- (a) **For employees of i3 North Sea (other than the executive Directors and those employees in corporate roles)**
- One-third on Admission;
 - One-third at spud of the next Serenity / Liberator appraisal well; and
 - 100 per cent. upon a third-party reserve auditor attributing 25 MMbbls 2P post drilling of a Serenity / Liberator appraisal well.
- (b) **For future employees of i3 Canada following completion the Gain Transaction and, separately, the Toscana Acquisition**
- One-third immediately;
 - One-third if July 2021 production exits at or above 9,000 boepd; and
 - 100 per cent. upon the addition of 5,000 boepd or 25 MMboe 2P reserves.
- (c) **For Directors and those employees of the Enlarged Group in corporate roles**
- One-third on Admission;
 - One-third: (i) on spud of the next Serenity / Liberator appraisal well; or (ii) if July 2021 production exits at or above 9,000 boepd; and
 - 100 per cent. upon: (i) a third-party reserve auditor attributing 25 MMbbls 2P post drilling of a Serenity / Liberator appraisal well; or (ii) the addition of 5,000 boepd or 25 MMboe 2P reserves.

In addition, to incentivise the UK and Canadian offices of the Enlarged Group to work as one team and assist each other as required going forward, if one of the offices satisfies one of the early vesting criteria for the New Options (other than Admission (for employees of i3 North Sea) or on grant of the award (for future employees of i3 Canada)), then the equivalent vesting criteria for the other office shall be deemed 20 per cent satisfied (and a further 6.67 per cent. of the New Options held by employees in the other office would vest immediately).

Further details of the New Options are set out in paragraph 6 of Part IX of this Admission Document.

At present, the Existing Share Plans permit the grant of awards over issued or unissued Ordinary Shares equal to, in aggregate, up to 15 per cent. of the Company's fully diluted share capital. This aggregate limit will remain in place following Admission and will encompass the Re-priced Options and the New Options.

27. HEALTH, SAFETY AND ENVIRONMENT

The operations of the Company are subject to a variety of laws and regulations governing the discharge of materials into the environment or otherwise relating to environment protection. Failure to comply with these laws and regulations can result in the imposition of substantial fines and penalties as well as potential orders suspending or terminating rights to operate. Some environmental laws to which the Company is subject provide for strict liability for pollution damage, rendering a person liable for environmental damage without regard to negligence or fault on the part of such person. In addition, the Company's operations are subject to particular hazards incidental to exploration, development and production of oil and gas, such as blowouts, cratering, explosions, uncontrollable flows of oil, gas or well fluids, fires and pollution and other risks. These hazards can cause personal injury or death, damage or destruction of property and equipment, pollution or environmental damage and suspension of operation. The Company has put in place and will maintain as appropriate, insurance against the risks associated with its activities, in line with legislation and standard industry practice.

i3 is a member of the Offshore Pollution Liability Association Ltd., the voluntary oil pollution compensation scheme which all offshore operators currently active in exploration and production on the UKCS are party to. The Company maintains an Environmental Management System in line with the requirements of OSPAR Recommendation 2003/5 to Promote the Use and Implementation of Environmental Management Systems by the Offshore Industry, as implemented in the UK by the

OGA. The Company is committed to following good practice in respect of environmental matters and its environmental policy includes, amongst other things, compliance with applicable laws and regulations, implementation of systems to identify and manage risks associated with its activities and ensuring that its employees and contractors are adequately trained in the environmental aspects of their jobs.

The Board intends to establish an Environmental Management Committee which will be responsible for formulating and recommending policies on environmental issues relating to the Company's operations.

28. IRREVOCABLE UNDERTAKINGS

The Company has received irrevocable undertakings from the Bybrook Funds to vote in favour of all the Resolutions in respect of, in aggregate, 14,938,717 Ordinary Shares, representing approximately 13.87 per cent. of the Existing Ordinary Shares.

The Company has received irrevocable undertakings from the following Directors (or persons connected with them) to vote in favour of all the Resolutions in respect of the following number of Ordinary Shares:

Director	Aggregate number of Ordinary Shares voted in favour	% of Existing Share Capital
Graham Heath	6,816,213	6.33
Neill Carson	6,712,133	6.23
Majid Shafiq	143,765	0.13

In addition to the Directors (and persons connected with them), certain other employees have irrevocably undertaken to vote in favour of the Resolutions in respect of Existing Ordinary Shares in which they are interested, as follows:

Employee	Aggregate number of Ordinary Shares voted in favour	% of Existing Share Capital
John Woods	1,326,944	1.23
Mihai Butuc	1,221,580	1.13
Ian Little	208,853	0.19
Sheri Barton	912,665	0.85
Colin Tannock	195,522	0.18

29. DIVIDEND POLICY

Prior to the end of Q1 2021, the Company anticipates to begin paying a dividend of between 20 per cent. and 30 per cent. of free cash flow annually, progressively increasing this to 40 per cent. as i3's Canadian business expands. This is subject to the information on dividends contained in paragraph 5.3 of Part IX of this Admission Document.

The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Directors and will depend on, among other things, the Group's results of operations and financial condition, its future business prospects, its ability to repatriate cash from its subsidiaries, any applicable legal or contractual restrictions and availability of profits. The Directors intend to take professional advice on the most efficient route to repatriate cash from i3 Canada to enable dividends to be paid.

It should be noted that i3 can only pay a dividend out of distributable profits. Currently the Company has retained losses, which prevent it from paying a dividend. Following Admission, the Company intends to effect a reduction of share capital to create distributable reserves and bring these forward to offset the retained losses and create surplus profits. A reduction of share capital will require approval by Shareholders and the UK Courts. This process will take several months and there can be no assurance that approval will be obtained from both Shareholders and the UK Courts to enable the reduction of share capital to take place. If the reduction of share capital is not effected, it is unlikely that a dividend will be capable of being paid by i3 in the near to medium term.

It should also be noted that while any of the Loan Notes remain outstanding, no dividend can be paid by i3 without the prior consent of Loan Noteholders. Although i3 expects that Loan Noteholders will be supportive of any decision to pay a dividend, there can be no assurance that such consent will be given by Loan Noteholders on terms acceptable to the Enlarged Group.

30. RELATED PARTY TRANSACTION – SUBSCRIPTION

The Subscription by the Bybrook Funds for 210,352,745 new Ordinary Shares in the Company constitutes a related party transaction pursuant to Rule 13 of the AIM Rules for Companies as a result of the current shareholding position of the Bybrook Funds. The Company's board of directors considers, having consulted with the Company's Nominated Adviser, WH Ireland Limited, that the terms of the Subscription by the Bybrook Funds are fair and reasonable insofar as the shareholders of the Company are concerned.

31. SHARE DEALING CODE

The Company has adopted a share dealing policy which sets out the requirements and procedures for the Board and applicable employee's dealings in any of its AIM securities in accordance with the provisions of MAR and of the AIM Rules. All Directors have received training on MAR, and this has also been cascaded down to all employees who may come into possession of inside information or become aware of information that could potentially be inside information, to ensure they are aware of how to handle it.

32. TAKEOVER CODE

The Takeover Code is issued and administered by the Panel. The Panel has been designated as the supervisory authority to carry out certain regulatory functions in relation to takeovers pursuant to the Directive. Following the implementation of the Directive by the Takeovers Directive (Interim Implementation) Regulations 2006, the rules set out in the Takeover Code now have a statutory basis.

The Company is a public limited company incorporated in England & Wales and is admitted to trading on AIM. Accordingly, the Takeover Code applies to the Company.

Under Rule 9 of the Takeover Code, where any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, that person is normally required to make a general offer to all the shareholders of that company to acquire their shares. Similarly, when any person, together with persons acting in concert with him, is interested in shares which, in aggregate, carry not less than 30 per cent. of the voting rights of a company and does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, a general offer will normally be required in accordance with Rule 9.

An offer under Rule 9 must be made in cash (or be accompanied by a cash alternative) and at not less than the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Under the Takeover Code a concert party arises when persons acting together pursuant to an agreement or understanding (whether formal or informal) cooperate to obtain or consolidate control of, or frustrate the successful outcome of an offer for, a company subject to the Takeover Code. Control means an interest or interests in shares carrying an aggregate of 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control. Under the Act, if an offeror were to make a takeover offer for the Ordinary Shares and were to acquire or unconditionally contract to acquire 90 per cent. of the shares to which the offer relates, and 90 per cent. of the voting rights attached to those shares, within three months of the last day on which its offer can be accepted, it could compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding Shareholders. The consideration offered to the Shareholders whose shares are compulsorily acquired under the Act must, in general, be the same as the consideration that was available under the takeover offer.

The Act would also give minority Shareholders in the Company a right to be bought out in certain circumstances by an offeror who had made a takeover offer. If a takeover offer related to all the Ordinary Shares and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90 per cent. of the Ordinary Shares to which the offer relates, any holder of Ordinary Shares to which the offer related who had not

accepted the offer could by a written communication to the offeror require it to acquire those Ordinary Shares.

The offeror would be required to give any Shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a Shareholder exercises his or her rights, the offeror is bound to acquire those Ordinary Shares on the terms of the offer or on such other terms as may be agreed.

Further information on the provisions of the Takeover Code can be found in paragraph 17 of Part IX of this Admission Document.

33. GENERAL MEETING

Set out at the end of this Admission Document is a notice convening a General Meeting to be held at the offices of the Company, at 2 Riding House Street, London, W1W 7FA at 1 pm. on 27 August 2020 at which the following Resolutions will be proposed:

- Resolution 1: an ordinary resolution to approve the Gain Transaction for the purposes of Rule 14 of the AIM Rules for Companies;
- Resolution 2: subject to the passing of Resolution 1, an ordinary resolution to:
 - authorise the Directors to allot the Placing Shares, the Subscription Shares, the Bybrook Further Subscription Shares, the PrimaryBid Shares, the Re-priced Options and the New Options; and
 - authorise the Directors to allot further Ordinary Shares representing up to one-third of the Enlarged Share Capital;
- Resolution 3: subject to the passing of Resolution 2, a special resolution to dis-apply statutory pre-emption rights in relation to the allotment of:
 - the Placing Shares, the Subscription Shares, the Bybrook Further Subscription Shares, the PrimaryBid Shares, the Re-priced Options and the New Options; and
 - further Ordinary Shares representing up to one-third of the Enlarged Share Capital;
- Resolution 4: a special resolution to approve the purchase of the Company's own shares.

If Resolutions 1, 2 and 3 are not passed, the Gain Transaction and the Fundraising will not proceed

To be passed:

- Resolution 1 requires a simple majority of Shareholders voting in person or proxy to vote in favour;
- Resolution 2 requires a simple majority of Shareholders voting in person or proxy to vote in favour;
- Resolution 3 requires a majority of not less than 75 per cent. of Shareholders voting in person or by proxy to vote in favour; and
- Resolution 4 requires a majority of not less than 75 per cent. of Shareholders voting in person or by proxy to vote in favour.

34. ADMISSION, SETTLEMENT AND DEALINGS

Trading in the Existing Ordinary Shares is expected to recommence at 8.00 a.m. today. Assuming the Gain Transaction becomes unconditional in all respects (save for the payment of the Gross Consideration), the Fundraising Shares will be issued and, simultaneously with the cancellation of the Company's existing quotation on AIM, admission of the Enlarged Share Capital will occur. The Company expects that the Gain Transaction will become unconditional in all respects (save for the payment of the Gross Consideration) on or around 27 August 2020 and therefore Admission of the Enlarged Share Capital is expected to occur on or around 28 August 2020.

35. CREST

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations.

The Ordinary Shares are eligible for CREST settlement. Accordingly, following Admission, settlement of transactions in the Ordinary Shares may continue to take place within the CREST system if a Shareholder so wishes.

CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so.

For more information concerning CREST, Shareholders should contact their stockbroker.

36. RISK FACTORS AND ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in Parts II to X (inclusive) of this Admission Document. You are recommended to read all the information contained in this Admission Document and not just rely on the key or summarised information. In particular Shareholders should read in full the Risk Factors set out in Part III of this Admission Document.

The technical information contained in this Admission Document, which has been extracted from the Competent Person's Reports in Parts VI of this Admission Document, has been reviewed and approved by GLJ and TRACS, respectively, in the form and context in which they appear. GLJ and TRACS have also reviewed the Admission Document in its entirety. Both parties have consented to the inclusion of the technical information extracted from their Competent Person's Reports in this Admission Document in the form and context in which it appears.

37. ACTION TO BE TAKEN

Under the UK Government's current prohibition on public gatherings, it will not be possible for all Shareholders to attend the General Meeting in person. We therefore strongly encourage Shareholders to vote on all Resolutions by completing an online proxy appointment form appointing the Chairman of the meeting as your proxy, to register any questions in advance and not to attend the meeting in person.

You will not receive a form of proxy for the General Meeting with this Admission Document. Instead, if you would like to vote on the resolutions, you may appoint a proxy via www.signalshares.com by following the instructions on that website or, if you hold your shares in CREST, via the CREST system. Notice of your appointment of a proxy should reach the Company's Registrar, Link Asset Services, by no later than 1:00 pm. (BST) on 25 August 2020.

You may request a hard copy form of proxy directly from the Company's Registrar, Link Asset Services, by calling 0871 664 0391. Calls cost 12p per minute plus your phone company's access charges. If you are outside the United Kingdom, please call +44 (0)371 664 0391. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am. – 5.30 pm. (BST), Monday to Friday, excluding public holidays in England and Wales.

If you hold your shares through a nominee service, please contact the nominee service provider regarding the process for appointing a proxy.

Shareholders are encouraged to submit their voting instructions as soon as possible. See below for details with regard to voting instructions.

Shareholders can submit questions to the Board in advance of the General Meeting by emailing such questions to i3energy@camarco.co.uk by no later than 1:00 pm. (BST) on 25 August 2020. The Board will consider all questions received and provide a written response.

The health and well-being of our Shareholders and colleagues remains our priority and the steps set out above are necessary and appropriate ones given the current pandemic.

38. DIRECTORS' RECOMMENDATION AND VOTING INTENTION

The Directors consider that the Proposals are in the best interests of the Shareholders and the Company as a whole, and, accordingly, the Directors recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as they have irrevocably undertaken to do so in respect of their own beneficial holdings of 13,876,686 Ordinary Shares, representing approximately 12.88 per cent. of the Existing Ordinary Shares.

Shareholders should note that in the event the Resolutions are not approved, amongst other things, the Gain Transaction will not proceed and the Fundraising Shares will not be issued. For this reason, the Company strongly encourages Shareholders to vote in favour of the Resolutions.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Linda Beal', is positioned above the typed name.

Linda Beal
Non-Executive Chairperson, i3 Energy Plc

PART II

THE COMPANY'S ASSETS IN DETAIL

UKCS LICENSES

i3 Energy holds a 100% operating and working interest in two UKCS blocks; 13/23d (UK Seaward Production License P.1987) and 13/23c (UK Seaward Production License P.2358) that lie 129 km north-east of Aberdeen (Figure 1) in the South Halibut Basin of the Moray Firth Province. i3 Energy acquired the interest in Block 13/23d from Dana in 2016, at which time it became the operator and was subsequently awarded the adjoining Block 13/23c in May 2018, following an application made in the UK 30th Seaward Licensing Round. The Blocks contain two oil fields, Liberator and Serenity.

Asset (Licence and Block)	Operator	Interest	Status	2nd Term (Expiry)	Licence Area (km ²)
P.1987 13/23d	i3 ENERGY	100%	Exploration	21/12/2020	14.6
P.2358 13/23c	i3 ENERGY	100%	Exploration	31/12/2020	187.1

Source: OGA P.1987 & P.2358 licence

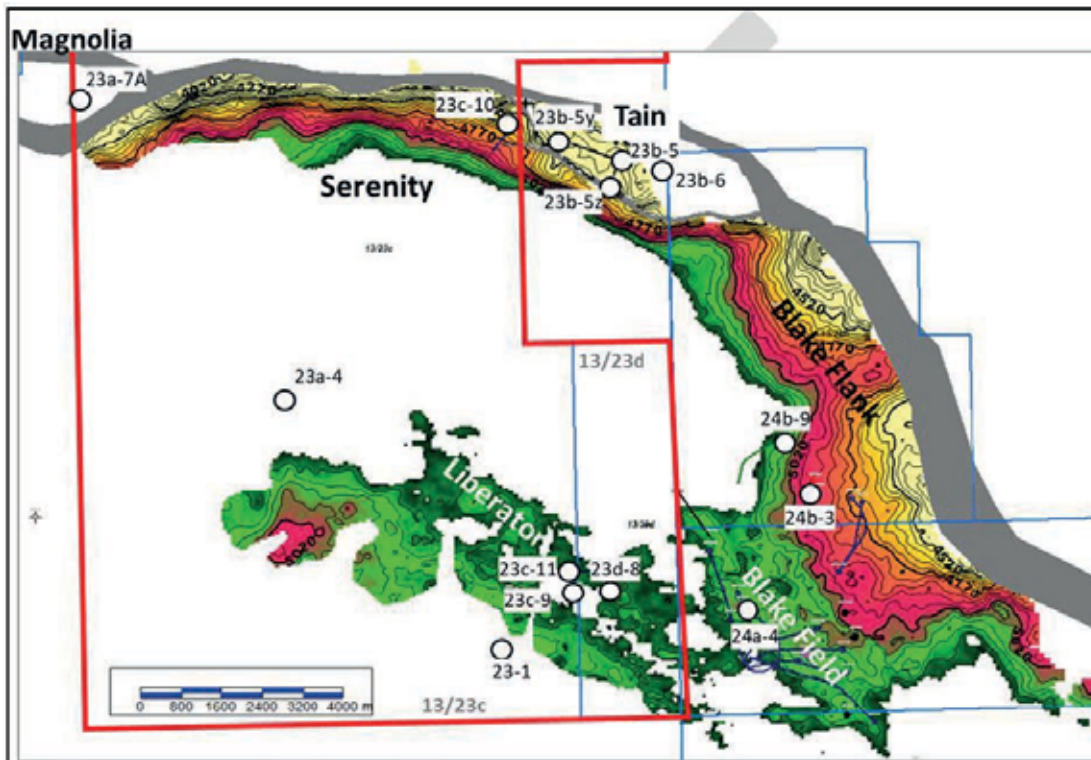


Figure 1. Location map clipped at 5270 ft depth contour (TRACS Serenity CPR, July 2020, Page ii)

The Directors expect that, upon approval of an FDP for either block by the OGA, a 20-year production license would be issued for that block. A more detailed review of the UK licensing and regulatory regime is contained in Part VII of this Admission Document.

The first term of Licence P.1987 (Block 13/23d) completed in December 2016, for which all work commitments were met. The second term commenced on 1 January 2017. OGA consent to the assignment from Dana to the Group was given in a letter from the OGA dated 21st December 2016. i3 Energy undertook to the OGA that, unless the OGA in its discretion decided otherwise, it would relinquish Licence P.1987 on the expiry of the period of two years after the commencement of the second term in the event of it failing, before the expiry of that period, to demonstrate to the OGA that sufficient funding had been secured for a well to be drilled on Block 13/23d or the approval of an FDP. On 20 November 2018, the OGA confirmed that it was content to waive this undertaking and reminded i3 Energy that an approved field development plan must be in place before the expiry of the second term (31 December 2020). In May 2019, i3 Energy secured funding for a three well programme, the last of which (13/23c-11) was drilled from a surface location in Licence P2358 to a

reservoir target within Licence P1987. On the 12th June 2020, i3 Energy formally applied to the OGA to extend the second term of Licence P.1987 in consideration of the extensive evaluation and appraisal work conducted and the forward plans to continue to appraise the Liberator discovery. The OGA has acknowledged the request, but as at the date of Admission, the company awaits a determination.

As per the terms of Licence P.2358, in June 2020 i3 Energy submitted a partial relinquishment request for Block 13/23c, which retains the mapped closures for the Serenity field and the majority of the Liberator structure, as depicted in Figure 2. and 46% of the original license area (equivalent to 85.5 km²). On 8th July 2020 approval of the proposed partial relinquishment area was received. On 30th June, the company formally requested the OGA to continue Licence P.2358 into the second term and on 20th July, the OGA confirmed that the non-relinquished part of P.2358 would continue in to the second term commencing 30th September 2020. The Company has until 30th September 2024 to have a development approved by the OGA in order to continue the licence into the third term.

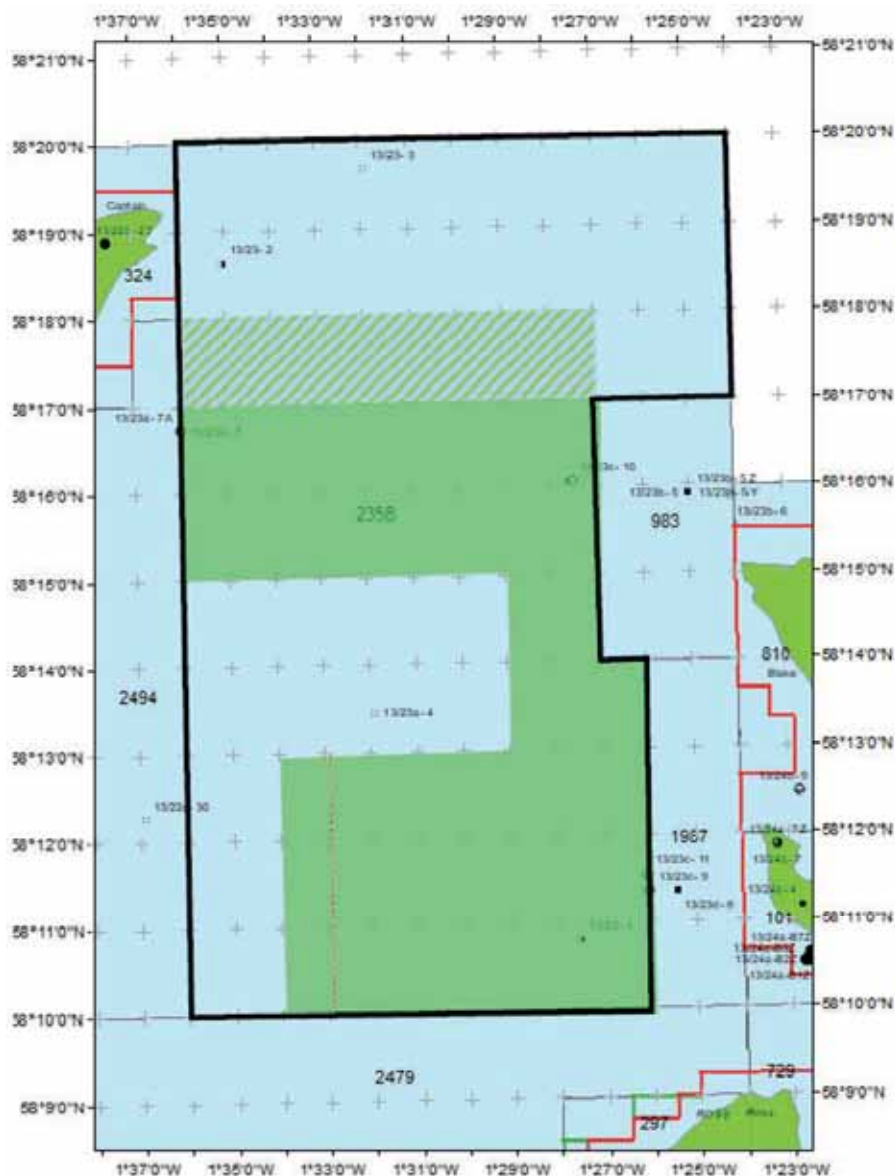


Figure 2. License P2358 partial relinquishment application to retain area shaded green

Drilling History

Liberator was discovered by well 13/23d-8 drilled by Dana in November 2013 and further appraised by wells 13/23c-9 and 13 23c-11 drilled by i3 Energy in September and November 2019. Serenity was discovered by well 13/23c-10 drilled by i3 Energy in October 2019. Drilling of 13/23c-9 fulfilled the terms of the P.2358 licence commitment.

Regional Overview

Early Cretaceous Captain Sands of Aptian to Albian in age were laid down in a deep marine environment in the Inner Moray Firth, in a 120km by 5-10km wide fairway as sand rich, high density turbidite flows, deposited against a background of hemipelagic shales and marls. The Lower Cretaceous Captain Sandstone reservoir is sourced from the East Shetland Platform to the north-west and by the erosion of the Halibut Horst to the north. The established model comprises a NW SE oriented axial system of submarine channels located south of the Halibut Horst and extending regionally from the Captain field to the NW through to Goldeneye and beyond in the SE, informally referred to as the Kopervik fairway (Figure 3). These channels were capable of distributing thick and amalgamated mass flow sandstones up to hundreds of feet thick into the main Blake field and Liberator areas. The Captain Sandstones are sealed vertically by the laminated calcareous shale of the Lower Cretaceous Rodby formation on top, and Valhall formation at the base.

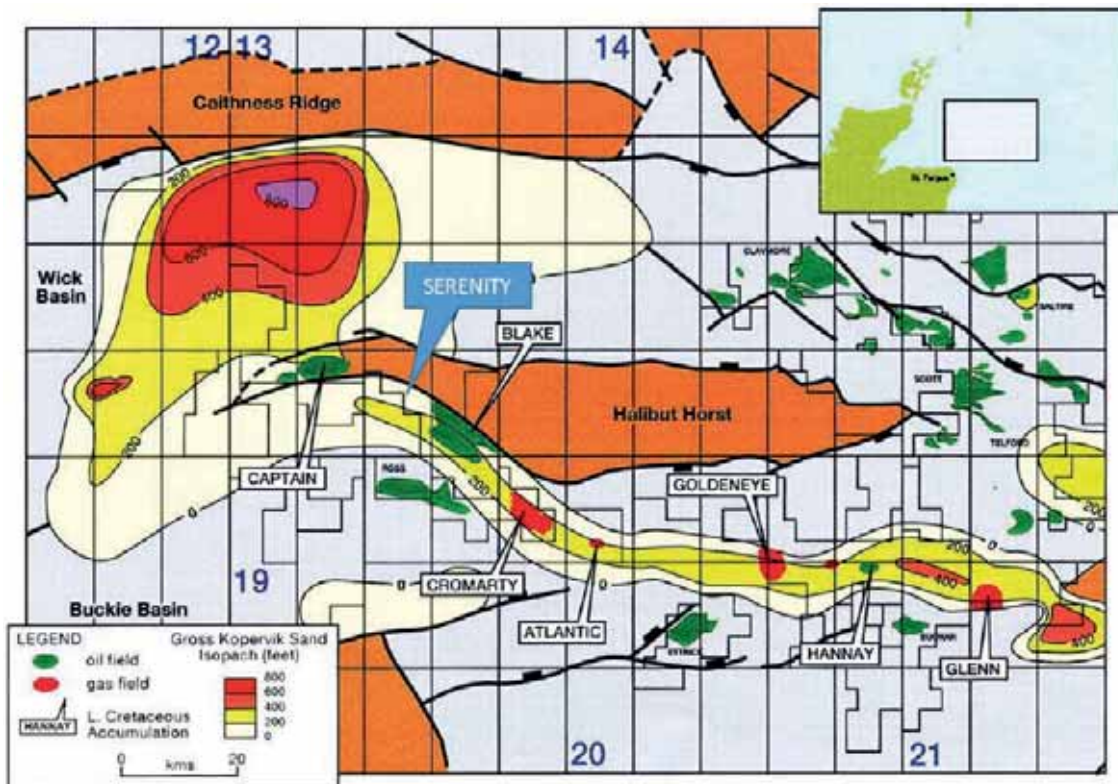


Figure 3. The Kopervik sand fairway (from Law et al 2000, Petroleum Geoscience vol 6)

The oil source for many of the fields in the Inner Moray Firth, such as Beatrice, Ross and Blake fields is believed to be the Upper Jurassic Kimmeridge Clay Formation, located in the South Halibut basin kitchen area and the Kimmeridgian oils found, to date, in Quadrant 13 have an API of around 40° which is indicative of peak maturity. The noticeable exception is at the Captain Field where the oil has an API of 19 to 21° but this is due to the field being charged from the West Wick low maturity kitchen.

The reservoir quality of the Captain Sandstone Reservoir is very high, with net to gross reservoir thickness ratio higher than 95 per cent., average porosity of 30 per cent. and permeability in the 2,000 – 3,000 mD range as proven in the Blake Field and other oil and gas fields such as Captain, Atlantic, Goldeneye, Cromarty, and Hannay (Source: Millenium North Sea Atlas of the Central and Northern North Sea: The Geological Society of Great Britain).

Data Set

i3 Energy has based its technical analysis on an extensive data set, which in addition to regional well data includes the Western Geco Q13Ph1, Megamerge 13/22, TGS MF10 PSTM, TGS MF18 PSDM and the Hess 92-13 seismic data sets.

Liberator Oil Field

The 13/23d-8 Liberator discovery well drilled in 2013 proved oil in an elongated NW-SE oriented structure situated at around 5,200 ft TVDSS and found 316 ft gross thickness of high porosity – high

permeability Captain sandstone reservoir. The top of the sand contained a 24 foot hydrocarbon column, with 4 feet of gas underlain by 20 feet of oil. The sand thickness is similar to the gross thickness found at the nearby Blake Field, which has produced over 100 MMbbls to date principally from the Captain sandstone reservoir. Recovered oil samples contained under-saturated 30.3 API oil, with viscosity of 1.9 centipoise and were of similar quality to Blake oil. The measured OWC at 5270 ft TVDSS was the same as the original OWC measured in the Blake field. In the Liberator area, i3 classify the Captain sands to be part of the K50.1 unit, comparable with the reservoir sands in the Blake field. The K50.1 sand is further divided into an Upper and Lower Captain sand in Liberator East.

Following acquisition of the 13/23d Block, i3 mapped a large areal extension to the Liberator discovery area westwards into the 13/23c Block and in Q4 2019 conducted a two well drilling programme (see Figure 4 for well locations).

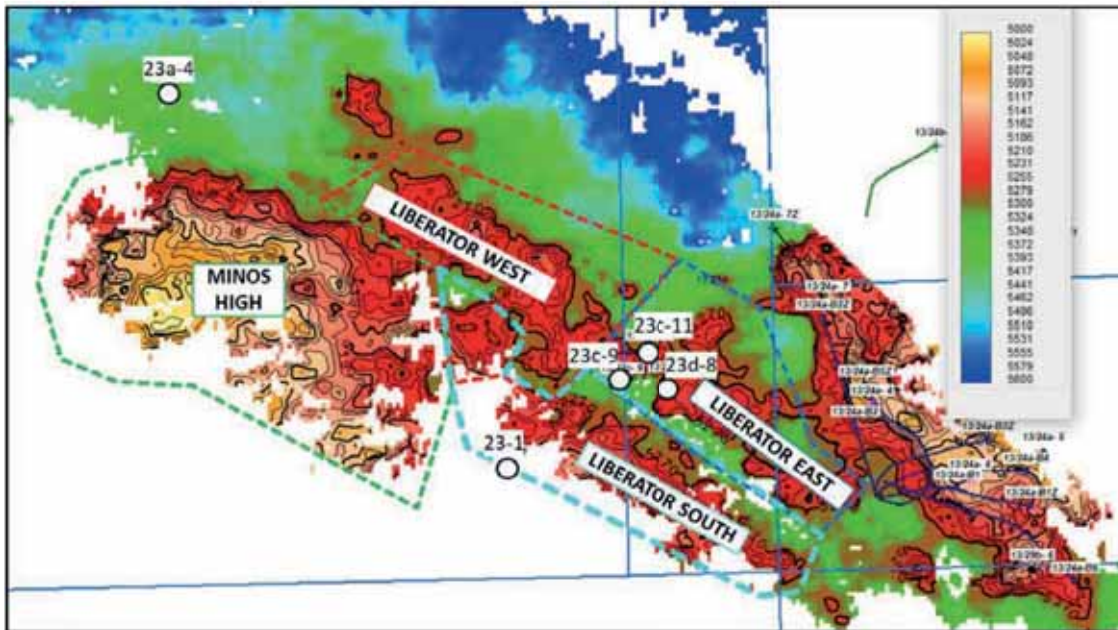


Figure 4. Liberator Top Reservoir Depth Map above OWC (5270 ft TVDSS) (TRACS Liberator CPR, July 2020, page ii and figure 4.5)

The first well was intended as a pilot hole for the first production well and the second as an appraisal well on Liberator West. The pilot hole (13/23c-9) was drilled in September 2019 and targeted the Liberator East structure in a small culmination west of the discovery well. 13/23c-9 failed to find the Upper Captain sands and instead encountered a water-bearing interval of Lower Captain Sandstones, deep to prognosis. i3 Energy then licensed a new seismic data set (the MF18 seismic volume), which appeared to provide clear insight into sand distribution between the 13/23c-9 well and the Liberator discovery well 13/23c-8, just 500 m away. It was evident that the 13/23c-9 well had missed the edge of the Upper Captain sand package and it appeared that the MF18 seismic volume was more reliable for well placement. In November 2019, a second attempt was made to drill the pilot hole based on the new seismic data. Though the Upper Captain Sandstone was present in the 13/23c-11 well, it came-in deep to prognosis and was also water-bearing. Pressure measurements in the well were consistent with those measured in the 13/23c-10 Serenity discovery well, confirming hydrostatic pressure communication across the basin from Liberator to Serenity.

Liberator East is now considered to be separate from the Liberator West structure and TRACS has evaluated a single well development scenario for this area. The capex requirement for facilities (tie-back to Bleo Holm FPSO) and well costs associated with this plan plus FPSO Opex costs, render the present volumes uneconomic, and with no alternative plan, the entire volumes are classified as Contingent, Development not Viable. TRACS resource volume estimates are tabulated in Table 1. Economics may be improved if Liberator East is developed as part of a greater Liberator area development including Liberator West and/or the Minos High should the latter two prospects prove sufficient volumes.

Liberator East - Resource Volumes				
Reserves Category	Company Interest Reserves - 100% Working Interest			
	Oil MMstb	NGL MMstb	Gas MMstb	Total MMboe
1C	1.1	-	-	1.1
2C	5.3	-	2.9	5.7
3C	11.0	-	6.5	12.1

Table 1. Liberator East Resource Summary (TRACS Liberator CPR, July 2020, Page iii)

Liberator West / Minos High Prospects

i3 originally mapped Liberator East, Liberator West and the Minos High as one structure, with potentially significant volumes in the latter two culminations. However, wells 13/23c-9 and -11 have identified water between the Liberator West culmination and the proven Liberator East oil pool. The new 2019 well results and seismic have highlighted seismic pick uncertainty, i.e. the difficulties in accurately defining not only the top reservoir depth but also mapping of sand body continuity with the Captain Sandstone package, even at short distances away from well control. Seismic uncertainty means it is unclear which sands are present in Liberator West and the Minos High areas. Though it is possible that the proven, oil-bearing Upper Captain sands are universally present to the west of the Liberator well, it appears equally possible that Lower Captain sands (or other sands) are present over a wider area. Water-bearing Lower Captain Sands are present in the Liberator discovery well 13/23d-8 and the 2019 Liberator well 13/23c-9. It is also possible that the Lower Captain sand is not connected to the regional aquifer, which increases charge risk and potentially negatively impacts recovery factors from this sand. Hydrocarbons are yet to be proven in Lower Captain sands.

Based on a preliminary re-evaluation of the Liberator West and Minos prospects, using the new seismic and well data, a low-high resource range is estimated by TRACS, as tabulated in Table 2. The Liberator West, Minos High and Liberator South are all classified as Undiscovered; Prospective Resources. TRACS has not volumetrically evaluated Liberator South as it is currently technically immature.

Case	STOIIP MMstb			Prospective Resources MMstb	
	Liberator West	Minos High	Recovery Factor	Liberator West	Minos High
Low	4	26	20%	1	5
High	103	329	50%	52	165

Table 2. Liberator West / Minos High Prospective Resource Summaries (TRACS CPR, July 2020, Page 43)

The Low and High Case STOIIP are unlikely to materially change with further analysis on the present data set since the input parameters are considered sufficiently wide to have captured the range in uncertainty in depth of top structure, position of the OWC and sand distribution. The recovery factor range accounts for uncertainties including variation in hydrocarbon column thickness, and sand continuity and extent (impacting aquifer size). The Low Case was derived from a low case simulation of the Liberator discovery area, which reflected a thin hydrocarbon column, high vertical permeability and thick high quality sand below the oil column, resulting in cusping of water and reduced sweep despite optimum well placement and low drawdown. The high case is analogous to the Blake field.

A provisional geological change of success (COSg) of 42% is estimated by TRACS for Liberator West and Minos High.

Exploration of Liberator West and the Minos High prospects is currently contingent on funding, and i3 is conducting a farmout of i3 Energy's interests in its UK licences in return for a contribution towards drilling costs.

Serenity Oil Field

The 13/23c-10 Serenity discovery well penetrated the eastern part of the elongate west-east Serenity prospect (see Figure 1 for location) and encountered a thin (11 ft TVT) but high net-to-gross (100%), oil-bearing sandstone containing 31.4 degree API oil with excellent reservoir quality in the upper part

of the Captain Sands, assigned informally by i3 to the K50.3 stratigraphic sequence interval. The Serenity discovery is adjacent to the Tain discovery (drilled in 2005) and the producing Blake field. Based on an evaluation of the available data, i3 Energy believe that Serenity could be a down-dip extension to the Tain oil discoveries and that both Tain and Serenity could share a common OWC with Blake and Liberator at 5270ft tvdss. The trapping mechanism is stratigraphic with pinch-out of Captain sands to the north against the Halibut Horst. To the west, i3 consider that the reservoir sand thickens significantly; on-depositional trend with the 9-km distant Magnolia well (13/23a-7A), which encountered Captain sands over 100 ft thick. In order to trap the structure, i3 invoke a stratigraphic closure (channel fairway edge) in this western region since there is no independent structural closure. The evaluation of potential resources in Serenity by TRACS considers the key uncertainties which have the most significant impact on STOIP estimates, being the net sand thickness (gross thickness and net-to-gross (N/G), lateral extent and continuity of oil bearing sand and the depth of the oil water contact (OWC). TRACS established three deterministic STOIP cases representative of Low-Mid-High cases combining a range of values for these parameters. Recovery factors assuming solution gas drive for the low case STOIP and a water flood for the Mid and High cases were applied to determine recoverable oil volumes.

No firm development plans exist at present, although export could conceptually take advantage of existing infrastructure associated with the ongoing development of the adjacent Tain Field (operated by Repsol Sinopec, RSRUK) or, if sufficient volumes are firmed up by planned appraisal, through a stand-alone FPSO. Since no development or export option has been determined, associated gas has not been considered as sales volumes by TRACS. At this stage, the calculated resources have been classified as “Contingent, Development Unclassified”. Contingencies include the technical requirement for further appraisal, and non-technical, in the event of a lower in-place volume development, requiring an agreement with the Tain infrastructure owners.

TRACS evaluated, un-risked contingent resource volumes are shown in Table 3.

Serenity - Resource Volumes				
Reserves Category	Company Interest Reserves - 100% Working Interest			
	Oil MMstb	NGL MMstb	Gas MMstb	Total MMboe
1C	2.4	-	-	2.4
2C	16.2	-	-	16.2
3C	115.2	-	-	115.2

Table 3. Serenity Resource Summary (TRACS Serenity CPR, July 2020, Page iii)

Future Drilling and Potential Development Plans

i3 Energy plans to conduct further appraisal drilling on the Serenity field and mapped areas of closure contiguous with the Liberator field in the future. Such drilling is currently contingent on funding through a farmout of i3 Energy’s interests in its UK licences in return for a contribution towards drilling costs.

Should reserves on either Serenity or volumes connected to Liberator be proven to be large enough, development would be via a stand-alone green field development tied in to dedicated infrastructure, or alternatively if reserves are too low to justify dedicated facilities, a tie in to existing production facilities currently producing the Blake field may be possible.

Gain Energy Assets

Gain’s assets comprise a portfolio of large contiguous holdings in multiple geological hydrocarbon plays in Alberta. In Central Alberta, the major assets are Open Creek, which produces liquids rich natural gas from the Glauconitic formation and Willesden Green, which produces liquids rich natural gas from the Falher (Spirit River) formation. In Northwest Alberta, the major assets are Simonette, which produces light oil from the Dunvegan and Montney formations, and Wapiti South, which produces light oil from the Cardium formation.

The Gain Assets include approximately 173,000 net acres of developed acreage and 186,000 net undeveloped acreage and currently produce approximately net 9,000 barrels of oil equivalent per day.

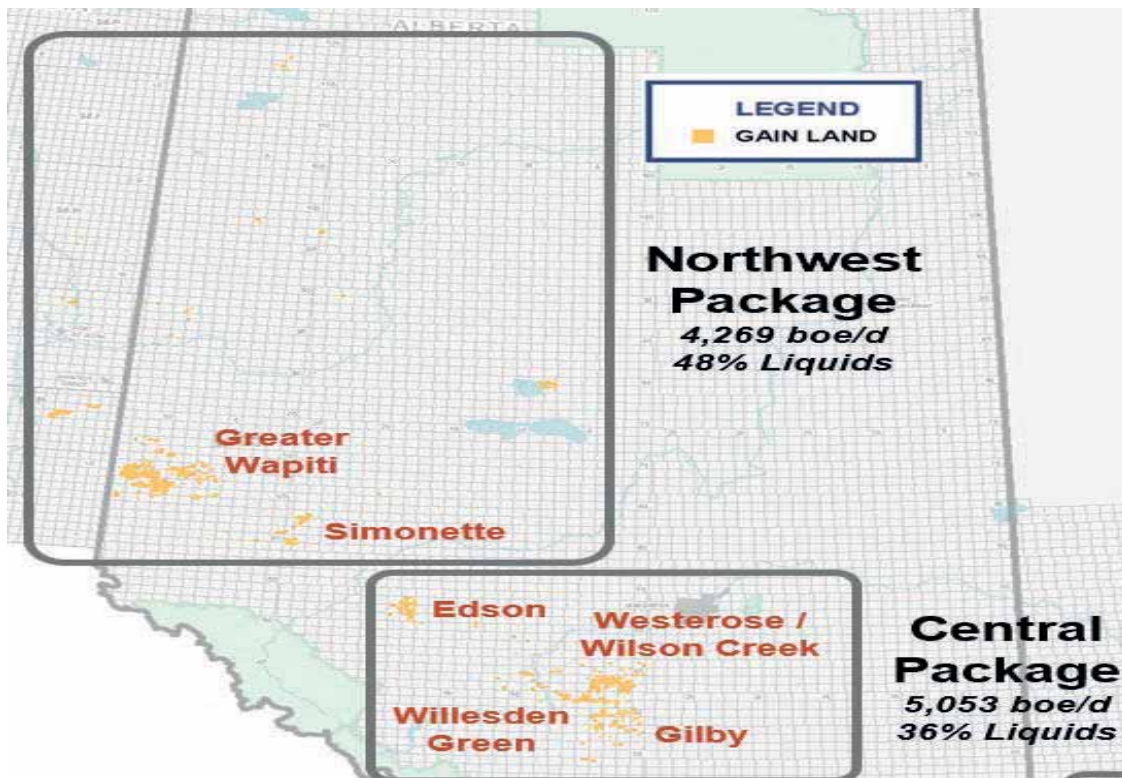


Figure 5. Gain Assets Location Map with Q1 2020 sales volumes

Net aggregate production volumes split by oil, NGL and gas are shown below for 2018, 2019 and Q1 2020.

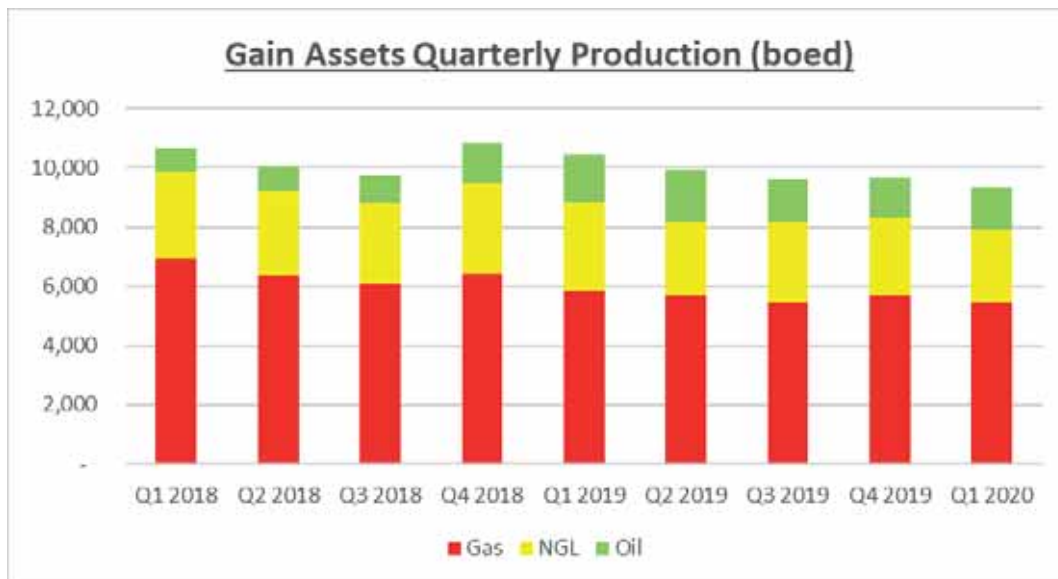


Figure 6. Gain Assets Historical Production Data (Sales Volumes from Lease Operating Statements)

Asset Retirement Obligations

This includes costs for both active and inactive wells, including downhole abandonment, decommissioning and reclamation costs for producing wells, suspended wells, abandoned wells, gathering systems and surface facilities. Undiscounted estimates for life of field ARO, prepared by Gain are listed below in Table 4.

Gain Undiscounted ARO Summary							
Area	Well Abandonment \$mm	Well Reclamation \$mm	Well Total \$mm	Facility Abandonment \$mm	Facility Reclamation \$mm	Facility Total \$mm	Total \$mm
North West	19.9	10.7	30.6	1.6	3.4	5	35.6
Central	31.7	11.6	43.3	5.7	3.4	9.1	52.4
Total	51.6	22.3	73.9	7.3	6.8	14.1	88.0

Table 4. Gain Assets ARO Summary

Aggregate reserves for the Gain portfolio of assets are tabulated in Table 5 below.

Gain Assets - Reserves Volumes and Values							
Reserves Category	Company Interest Reserves				Liquids Waiting	Pre-Tax NPV	Post-Tax NPV
	Oil Mbbbl	NGL Mbbbl	Gas MMcf	Total Mboe		Discount Rate 10% \$M	\$M
Proved Producing	2,020	4,966	68,479	18,400	38%	76,856	76,856
Proved Non-Producing	143	274	9,294	1,966	21%	7,416	6,931
Proved Undeveloped	1,659	3,055	45,333	12,270	38%	41,811	30,307
Total Proved	3,822	8,296	123,106	32,636	37%	126,083	114,093
Probable	4,343	4,882	71,479	21,138	44%	121,574	91,866
Proved plus Probable	8,165	13,178	194,585	53,774	40%	247,657	205,959

Table 5. Gain Assets Reserves Summary (GLJ CPR, Pages 14 and 45, effective date 30.6.20)

North West Package

The North West package contributed 46% of Gains total production in Q1 2020. In Q4 2019 the Greater Wapiti and Simonette areas contributed over 90% of production and the Dunvegan and Montney formations contribute circa 44% of production.

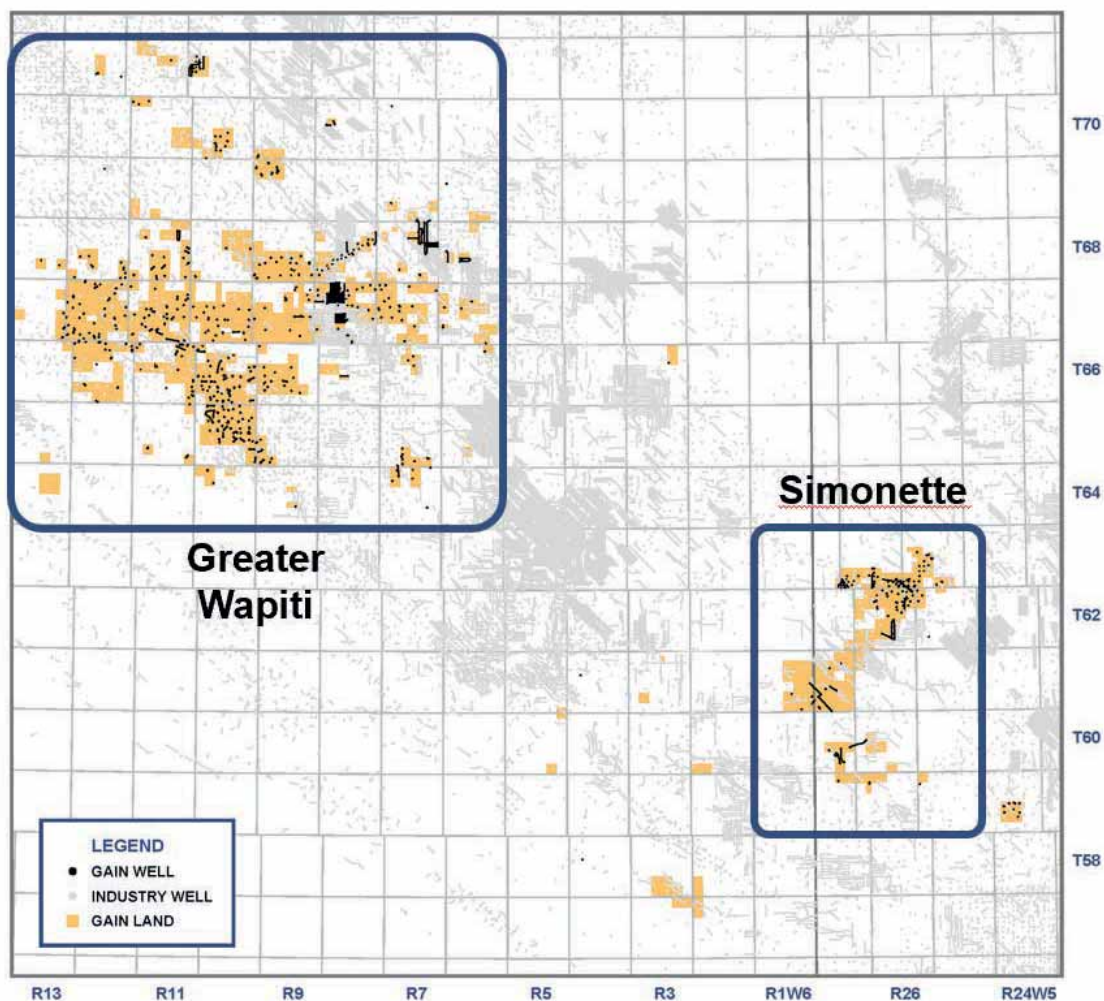


Figure 7. North West Package Location Map

Production in Q1 2020 averaged 4,269 boepd net to Gain consisting of 1,078 bbls of oil per day, 960 bbls of gas liquids per day and 13,388 mcf/d of gas production. The North West package benefits from relatively low operating costs, forecast by GLJ for 2020 PDP production at C\$10.25/boe (US\$7.6/boe) (Page 247 GLJ CPR).

There are thirteen revenue generating field areas in the North West Package. Production by formation and the number and type of production wells is detailed in Table 6. 55% of Gain’s production is operated with an average working interest of 75%.

Formation	Production as of November 2019			Gross Producing Wells - By Production				Gross Wells - By Vintage				Well Type			
	WI Total (boe/d)	% Oil (%)	Average WI (%)	<10 boe/d (#)	10-50 boe/d (#)	50-100 boe/d (#)	>100 boe/d (#)	Pre-1998 (#)	1998-2007 (#)	2008-2013 (#)	2014+ (#)	Hz (#)	VS/Dev (#)	Gross Total (#)	Net Total (#)
Dunvegan	1,342	36%	70%	18	32	6	4	61	17	12	8	20	78	98	67
Montney	542	39%	44%	1	1	2	5	0	1	6	6	12	1	13	8
Conmingle	597	0%	39%	11	42	5	0	1	58	18	0	0	77	77	31
Wilich	445	0%	33%	0	1	2	4	0	0	1	7	8	0	8	3
Falher	400	0%	41%	1	6	2	4	7	25	3	3	3	35	38	16
Belly River	264	0%	66%	1	15	0	0	0	6	25	4	3	32	35	21
Cardium	186	49%	43%	2	3	1	2	1	1	6	4	6	4	12	6
Other	684	39%	27%	58	82	4	2	445	196	27	0	62	608	668	150
Northwest	4,560	23%	43%	90	182	22	21	563	360	172	36	139	995	1,134	476

Table 6. North West Package Producing Formations and Wells Summary

Gain operates 9 facilities in the North West package area, which include production batteries, gas compression and dehydration units, with an average operatorship of c. 70% across these assets.

Total net processing capacity is c. 42 MMscfd and 9,800 bbl/d liquids capacity, providing considerable scope for further development and incremental third-party revenue.

Processing of third party production volumes through Gain owned infrastructure generated C\$1.5mm in revenue in addition to royalty revenue of C\$1.4mm in 2019.

Reserves for the North West package are listed in Table 7. PDP reserves are 55% of P1 and 31% of 2P reserves.

North West - Reserves Volumes and Values						
Reserves Category	Company Interest Reserves				Pre-Tax NPV	
	Oil Mbbbl	NGL Mbbbl	Gas MMcf	Total Mboe	Liquids Waiting	Discount Rate 10% \$M
Proved Producing	1,235	1,876	24,126	7,133	44%	35,344
Proved Non-Producing	123	162	8,411	1,687	17%	6,552
Proved Undeveloped	1,605	885	9,894	4,139	60%	24,832
Total Proved	2,963	2,923	42,431	12,958	45%	66,728
Probable	3,784	1,895	25,240	9,885	57%	77,186
Proved plus Probable	6,747	4,818	67,671	22,844	51%	143,914

Table 7. North West Package Reserves Summary (GLJ CPR, Page 235, effective date 30.6.20)

The Simonette area consists of a predominantly oil weighted portfolio of opportunities in dolomitic siltstones of the Triassic Middle and Lower Montney Formation and light oil in the Dunvegan formation. The Wapiti area is focused on the Cardium and Dunvegan formations.

The management of Gain has developed a portfolio of 55 development drilling locations in multiple formations, to develop the 2P reserves.

Central Package

The Central package contributed 54% of Gain's production in Q1 2020 and the Hoadley/Willesden Green areas contributed the majority of production, with approximately one third coming from the Lower Cretaceous Glauconite formation in November 2019.

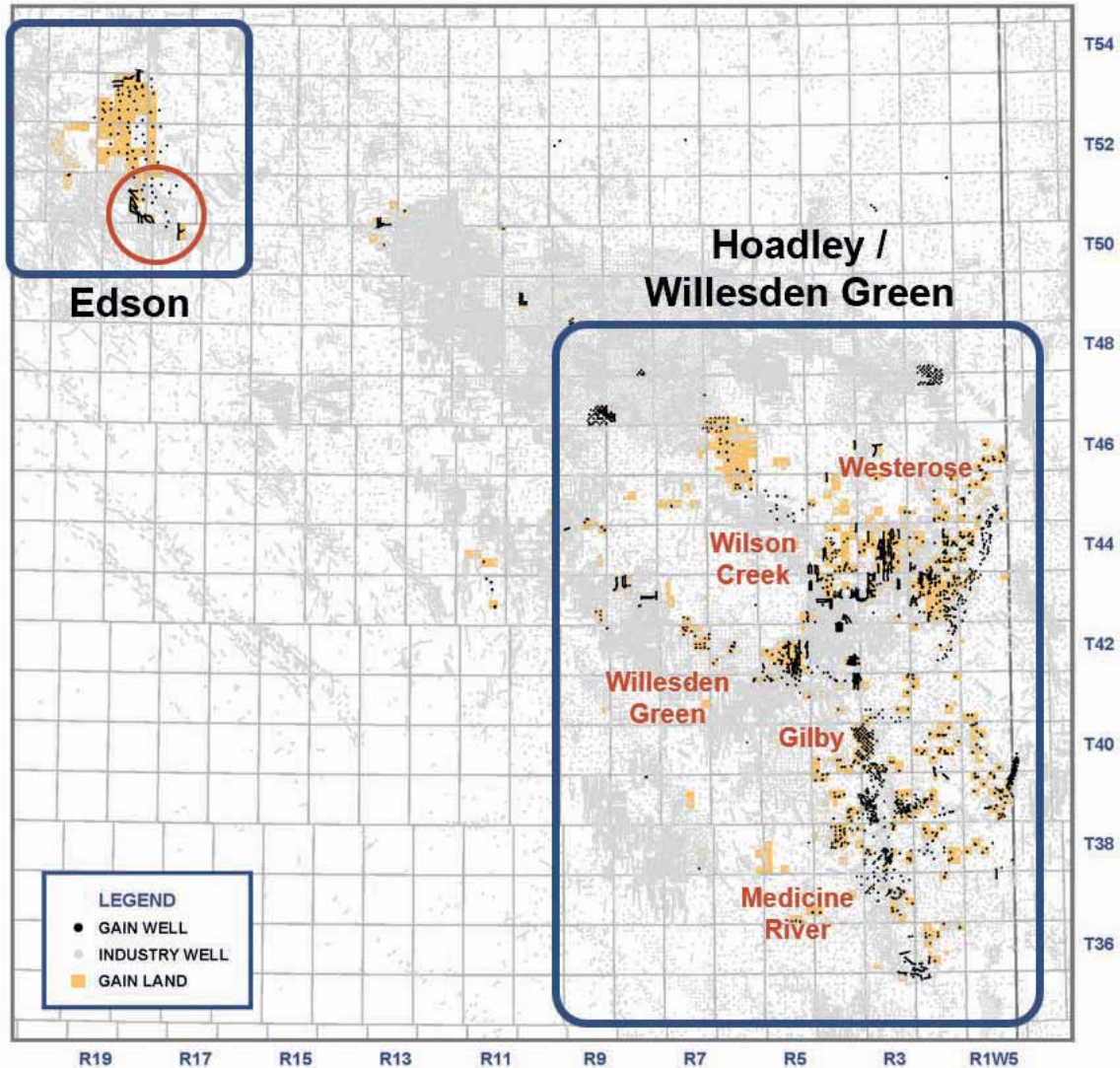


Figure 8. Central Assets Location Map

Production in Q1 2020 averaged 5,053 boepd net to Gain consisting of 350 bbls of oil per day, 1,488 bbls of gas liquids per day and 19,286 mcf/d of gas production. The Central package benefits from relatively low operating costs, forecast by GLJ for 2020 PDP production at C\$11.48/boe (US\$8.5/boe) (Page 187 GLJ CPR).

There are fifteen revenue generating field areas in the Central Package. Production by formation and the number and type of production wells is detailed in Table 8. 53% of Gain's production is operated. All production is from conventional resources.

Formation	Production as of November 2019			Gross Producing Wells - By Production				Gross Wells - By Vintage				Well Type			
	WI Total (boe/d)	% Oil (%)	Average WI (%)	<10 boe/d (#)	10-50 boe/d (#)	50-100 boe/d (#)	>100 boe/d (#)	Pre-1998 (#)	1998-2007 (#)	2008-2013 (#)	2014+ (#)	Hx (#)	VtDev (#)	Gross Total (#)	Net Total (#)
Glauconitic	1,329	7%	42%	36	65	13	3	102	60	38	15	54	159	213	84
Witlich	455	0%	29%	0	0	1	9	0	0	0	10	10	0	10	3
Elkten	424	0%	21%	4	24	11	4	68	2	0	0	1	69	70	17
Pekisko	300	20%	16%	15	30	5	4	98	29	5	0	24	108	132	35
Rock Creek	248	11%	56%	4	11	0	1	23	7	1	0	2	29	31	13
Cardium	247	42%	26%	28	34	2	0	89	15	17	10	24	107	131	30
Ellerslie	237	6%	32%	9	11	6	0	50	15	3	6	7	67	74	26
Commingled	109	5%	43%	12	10	0	0	16	50	11	0	0	77	77	39
Other	796	49%	18%	93	77	19	7	500	135	49	8	35	657	692	181
Central	4,144	21%	27%	201	262	57	28	946	313	122	49	157	1,273	1,430	428

Table 8. Central Package Producing Formations and Wells Summary

Gain operates 10 facilities in the Central Package area, which include production batteries, gas compression and dehydration units, with an average operatorship of c. 71% across these assets. Total net processing capacity is c. 73 MMscfd and 10,000 bbl/d liquids capacity, considerable scope for further development and incremental third-party revenue.

Processing of third-party volumes through Gain owned infrastructure generated C\$1.8mm in addition to C\$0.64m of royalty revenue in 2019.

Reserves for the Central package are tabulated in Table 9. PDP reserves are 57% of P1 and 36% of 2P reserves.

Central - Reserves Volumes and Values						
Reserves Category	Company Interest Reserves				Liquids Waiting	Pre-Tax NPV
	Oil Mbbbl	NGL Mbbbl	Gas MMcf	Total Mboe		Discount Rate 10% \$M
Proved Producing	785	3,090	44,353	11,267	34%	41,512
Proved Non-Producing	21	112	883	279	48%	865
Proved Undeveloped	54	2,170	35,439	8,131	27%	16,979
Total Proved	859	5,372	80,674	19,677	32%	59,355
Probable	559	2,987	46,240	11,253	32%	44,389
Proved plus Probable	1,418	8,360	126,914	30,930	32%	103,744

Table 9. Central Package Reserves Summary (GLJ CPR, Page 192, effective date 30.6.20)

The Central package consists of a predominantly oil and liquids rich gas weighted portfolio of opportunities in channel and shoreface sandstones of the Cretaceous Belly River, Cardium, Viking, Notikewin, Falher, Wilrich and Glauconite formations. The Central portfolio of assets has 53 locations to develop the 2P reserves.

PART III

RISK FACTORS

The investment detailed in this document may not be suitable for all of its recipients and involves a high degree of risk. Before making an investment decision, prospective investors are advised to consult an authorised professional adviser who specialises in advising on investments of the kind described in this document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

The Enlarged Group's business, financial condition or results of operations could be materially and adversely affected by any of the risks described below. In such cases, the market price of the Ordinary Shares may decline and investors may lose all or part of their investment.

In addition to the other relevant information set out in this document, the Directors consider that the following risk factors, which are not set out in any particular order of priority, magnitude or probability, are of particular relevance to the Enlarged Group's activities and to any investment in the Company. The risks and uncertainties described below are not the only ones the Enlarged Group faces. Additional risks and uncertainties of which the Enlarged Group is not aware of or that the Enlarged Group currently believes are immaterial may also adversely affect the Enlarged Group's business, financial condition and results of operations. If any of the possible events described below were to occur, the Enlarged Group's business, results of operations, cash flows, financial condition and prospects could be materially and adversely affected. If that happens, the value of the Enlarged Group may diminish and you could lose all or part of your investment. Any one or more of these risk factors could have a materially adverse impact on the value of the Enlarged Group.

There can be no certainty that the Enlarged Group will be able to implement successfully the strategy set out in this document. No representation is or can be made as to the future performance of the Enlarged Group and there can be no assurance that the Enlarged Group will achieve its objectives.

This document also contains forward looking statements that involve risks and uncertainties. The Enlarged Group's actual results may differ materially from those anticipated in these forward looking statements as a result of various factors, including the risks described below and elsewhere in this document.

To the extent the description in this section relates to government data or third-party sources, such information has been extracted from official government publications or other third party sources and has not been independently verified by the Enlarged Group.

The risk factors have been grouped as follows:

1. Risks relating to the Gain Transaction
2. Risks relating to Coronavirus
3. Exploration, appraisal, development and production risks associated with the UK Assets
4. Exploration, appraisal, development and production risks associated with the Gain Assets
5. General risks associated with the operations and business of the Enlarged Group
6. Risks related to the oil and gas industry
7. Risks relating to the Ordinary Shares

1 RISKS RELATING TO THE GAIN TRANSACTION

- 1.1 **There is a risk that the Gain Transaction will not be implemented on a timely basis or at all**
- Completion of the Gain Transaction is conditional upon, among other things, approval of the Resolutions at the General Meeting, completion of the Harvard Sale and the satisfaction or waiver of the conditions precedent to the Gain Acquisition, as detailed in paragraph 12.9.1 of Part IX of this Admission Document. There is a risk that the conditions of the Gain Transaction will not be satisfied on a timely basis or at all. If such conditions are not satisfied, or, where applicable, not waived, the Gain Transaction will not be implemented, the benefits expected to

result from the Gain Transaction will not be achieved and the market price of the Ordinary Shares may be adversely affected.

1.2 **Risk associated with the transfer of the operating licenses and permits for the wells, facilities and pipelines comprised in the Gain Assets**

As is customary for transactions of this nature in Western Canada, the transfer applications for the operating licenses and permits for the wells, facilities and pipelines comprised in the Gain Assets will be submitted to the applicable regulators promptly following closing of the Gain Acquisition. Until such time as such license transfers are approved and registered by the applicable regulators, Gain will hold such licenses on behalf of i3 Canada pursuant to the terms of the PSA.

While such arrangements would not affect the acquisition by i3 Canada of ownership of the beneficial interest in the Gain Assets or its entitlement to revenues therefrom, the approval by the applicable regulators of such transfers will be necessary for i3 Canada to assume full operational control of the wells, facilities and pipelines comprised in the Gain Assets. Based on discussions to date with the applicable regulators and the nature of the Gain Assets (including the applicable “Liability Management Rating” of such assets in the relevant Provinces), the Directors, having consulted with i3’s Canadian legal counsel, are not currently anticipating that there will be any issue in obtaining the approval of the applicable regulators to such license transfers within a reasonable period of time following closing of the Gain Acquisition. However, it should be noted that such approvals remain at the discretion of the applicable regulators and there is a risk that such approvals will not be obtained. To the extent such approvals are not obtained in a timely manner or at all, this could jeopardize the Enlarged Group’s ability to operate the Gain Assets and, consequently, may adversely affect the business and operations of the Enlarged Group.

1.3 **Risk of a Canadian national security review following the closing of the Gain Acquisition**

Acquisitions of controlling interests in Canadian businesses below certain monetary thresholds are subject to notification to the Government of Canada (the “**Government**”), acting through the Investment Review Division (the “**IRD**”) under the Investment Canada Act (“**ICA**”). An acquisition notification can be filed at any time prior to or within 30 days after closing of the transaction. The Company filed its notification (the “**Notification**”) with the IRD notifying the Gain Acquisition on 9 July 2020.

Separately under the ICA, almost any investment by a non-Canadian controlled entity into a Canadian business, whether an acquisition of control or of a minority interest and regardless of any monetary threshold, can be reviewed by the Government if the responsible Minister under the ICA (the “**ICA Minister**”) has reasonable grounds to believe that it could be injurious to national security. There is no pre-clearance mechanism whereby the Government will formally advise a foreign investor that its investment does not raise national security concerns. However, for transactions for which a notification is filed, if the ICA Minister has reasonable grounds to believe that a transaction may be injurious to national security, he must, within the prescribed period following the date on which the filing is certified as complete, notify the investor that an order for national security review may be issued. At the time of signing the PSA, the prescribed period applicable to the Gain Acquisition was 45 days. However, pursuant to a recent ministerial order effective 31 July 2020, the prescribed period was extended to 60 days. The Notification filing for the Gain Acquisition was certified complete as of 9 July 2020, meaning that the prescribed period will now not expire until 7 September 2020 (the “**Prescribed Period**”), which will be after the anticipated closing date of the Gain Acquisition.

The PSA includes a condition to closing of the Gain Acquisition for the benefit of i3 Canada that the Investment Canada Act Clearance shall have been obtained, which is defined in the PSA to mean that the prescribed period shall have expired without a notice having been received by i3 Energy that an order for national security review may be issued (a “**Review Notice**”). The ICA does not prohibit the completion of the Gain Acquisition prior to the expiry of the Prescribed Period so long as a Review Notice has not been delivered prior to closing, thus allowing for the potential waiver by i3 Canada of such condition. However, the IRD would still retain the ability to issue a Review Notice during the Prescribed Period following closing.

The national security review power is generally discretionary, although the IRD has issued guidelines which generally provide that the nature of the asset or business activities and the parties involved, including the potential for third party influence, will be considered by the IRD in assessing the national security implications of a proposed investment. The guidelines also set out a non-exhaustive list of the sorts of factors considered by the IRD when assessing national security risk, including the potential impact of the foreign investment on Canada's critical infrastructure, which includes processes, systems, facilities, technologies, networks, assets and services essential to the health, safety, security or economic well-being of Canadians. In addition, in April of this year, the IRD published a policy statement on foreign investment review and COVID-19 (the "**COVID ICA Policy**") indicating that foreign direct investments of any value in Canadian businesses that are related to public health or involved in the supply of critical goods and services to Canadians or to the Government of Canada will be subject to enhanced scrutiny under the ICA until the economy recovers from the effects of the COVID-19 pandemic. The COVID ICA Policy also indicates that there will be enhanced scrutiny for foreign investments involving state owned enterprises or private investors assessed as being "closely tied to or subject to direction from foreign governments" regardless of the sector involved.

Having consulted with the Company's Canadian legal counsel, and based on a consideration of such factors and their applicability to the Company, i3 Canada, the Gain Assets and the Gain Acquisition, the Company does not view the risk of a national security review on the Gain Acquisition as being likely. However, such decision remains at the discretion of the ICA Minister.

1.4 **If the Gain Transaction is completed, the Enlarged Group may experience difficulties in combining the existing businesses carried on by the Company and Gain**

The UK Group and Gain operate and, until completion of the Gain Transaction, will continue to operate, as two separate and independent businesses. The Gain Transaction will lead to the integration of the assets of Gain into the Enlarged Group, and the success of the Enlarged Group will depend, in part, on the effectiveness of the integration process and the ability of the Enlarged Group and the Directors to realise the anticipated advantages from combining the respective businesses.

In particular, there may be difficulties involved in combining the different capabilities required for the management of the Company's early stage assets and the broader mix of producing oil and gas assets and infrastructure assets being acquired from Gain. The integration of the assets, organisations, systems and facilities of the Company and Gain, as well as the development of new systems and procedures for the Enlarged Group, requires the dedication of substantial management effort, time and resources which may divert management's focus and resources from other strategic opportunities and from operational matters during this process. There can be no assurance that the Company will realise the potential benefits of the Gain Transaction including, without limitation, recurring revenue from the Gain Assets to the extent and within the time frame currently contemplated by the Company.

There is a risk that those employees that the Company asks to join from Gain may not join the Company and, although the Company believe this to be low risk, if that proves to be the case, the Company would need to source those employees from the local market which may take some time. The integration process may result in the loss of key employees and the disruption of ongoing business and employee relationships that may adversely affect the Enlarged Group's ability to achieve the anticipated advantages of the Gain Transaction.

Moreover, some of the potential challenges in combining the businesses may not become known until after completion of the Gain Transaction, in particular due to the substantial increase in the scale of the combined operations and the number of projects which the Enlarged Group would operate. The geographical spread of the Enlarged Group's operations may make it more difficult to implement and impress upon local workforces the Enlarged Group's policies on matters such as health and safety and can present challenges in the effective supervision of sub-contracted employees. Uncertainty about the effects of the Gain Transaction, including effects on employees, partners, contractors, regulators and customers may adversely affect the business and operations of the Enlarged Group. These uncertainties could cause customers, business partners, regulators and other parties that have business

relationships with the Enlarged Group to defer the consummation of other transactions or other decisions concerning those businesses, or to seek to change existing business relationships.

1.5 The Enlarged Group's transaction related costs may exceed its expectations

The Enlarged Group will incur a number of costs in relation to the Gain Transaction, including execution, integration and post-Completion costs in order to successfully acquire the Gain Assets and combine the operations of the UK Group, the UK Assets and the Gain Assets. The actual costs of the transaction execution and integration process may exceed those estimated and there may be further additional and unforeseen expenses incurred in connection with the Gain Transaction. In addition, the Company will incur legal, accounting, transaction fees and other costs relating to the Gain Transaction, some of which are payable whether or not the Gain Transaction completes.

2 COVID-19 (CORONAVIRUS)

2.1 The ongoing COVID-19 (coronavirus) pandemic could have a material adverse effect on the Enlarged Group's results of operations and financial condition

The recent outbreak of COVID-19 (commonly referred to as coronavirus) which first occurred in Wuhan City, China and has subsequently spread to many countries throughout the world, including the UK, the USA, Canada, mainland Europe, Africa and the Asia-Pacific region, has begun to negatively impact economic conditions globally and there are concerns for a prolonged tightening of global financial conditions. The COVID-19 outbreak could result in protracted volatility in international markets and/or result in a global recession as a consequence of disruptions to travel and retail segments, tourism and manufacturing supply chains. In particular, in March 2020, the COVID-19 outbreak caused stock markets worldwide to lose significant value and impacted economic activity worldwide.

Although the Company is taking measures to mitigate the broader public health risks associated with COVID-19 to its business and employees, including through self-isolation of employees where possible in line with the recommendations of relevant health authorities, the full extent of the COVID-19 outbreak and the adverse impact this may have on the Enlarged Group's workforce and key suppliers and its impact on the global economy, United Kingdom and Canadian economies and the oil and gas industries is unknown. In addition, as a result of the COVID-19 outbreak, there may be short-term impacts on the Enlarged Group's supply chain and planned work programmes in the United Kingdom and Canada. Similarly, government-imposed travel restrictions may impair the ability of certain of the Enlarged Group's employees to conduct physical inspections of existing operations and visit in country offices.

Furthermore, there can be no assurances that contract counterparties will not seek to renegotiate contractual terms or seek to claim force majeure to excuse performance of their contractual obligations to the extent that they are affected by the COVID-19 outbreak. The Directors expect that the Company may be subject to spurious claims as a result of the COVID-19 outbreak and, in particular, that the incidence of such spurious claims, including claims for force majeure, is likely to increase with many businesses and contractual counterparties suffering temporary hardship and disruption as a result of COVID-19 pandemic and seeking any means to reduce their exposure to such disruption.

It should also be noted that the Enlarged Group's business plan to exploit and commercialise its assets will require significant capital expenditure. The Enlarged Group will also be required to make substantial capital expenditures for the identification, acquisition, exploration, development and production of oil and gas resources and/or reserves in the future. There can be no assurance that the ability of the Enlarged Group to raise sufficient debt or equity financing to meet its funding requirements in the longer term will not be adversely impacted by the COVID-19 pandemic.

Given the fast-moving nature of the outbreak and increasing government restrictions, there can be no assurances that there will not be a material adverse effect on the Enlarged Group's results of operations and financial condition.

3 EXPLORATION, APPRAISAL, DEVELOPMENT AND PRODUCTION RISKS ASSOCIATED WITH THE UK ASSETS

3.1 The Enlarged Group may not be able to develop the Serenity discovery (Licence P.2358)

Licence P.2358 is currently in the initial term. The Company has satisfied the conditions for the licence to be continued into the second term and has submitted the continuation application to the OGA. As part of this application the Company has proposed a partial relinquishment of approximately 50 per cent. of the licence area. The OGA has accepted the relinquishment proposal, and confirmed the continuation into the second term, which will commence on 30 September 2020. The Company will have until 30 September 2024 to have a development approved by the OGA in order to continue the licence into the third term.

The Company plans to conduct further appraisal drilling on the Serenity discovery. Such appraisal and any subsequent development is contingent upon raising the necessary funds either from the capital markets, through a farm-out of its licence interests or from the Company's internally generated cashflow. There is uncertainty whether such a development would be economic and if so whether that development would relate solely to Licence P.2358, Block 13/23c (owned 100 per cent. by the Company) or would be a joint development or unitisation with the Tain discovery situated in the adjoining Block 13/23b (which would require an agreement with the licensees of Licence P.983). There is also uncertainty whether Serenity would require to access production, processing and transportation facilities owned by third parties or would require new 'stand-alone' production facilities.

3.2 Licence P.1987 may expire

The second term of Licence P.1987 commenced on the 1 January 2017 and is due to expire on 31 December 2020. The Company has applied to the OGA for an extension of the second term. The extension of the second term is at the discretion of the OGA and there is a risk that such extension will not be granted. The Company only recognises contingent resources in the Licence P.1987 and currently regards those resources as sub-economic.

3.3 OGA Enquiry

As part of the UK Group's 2019 drilling programme, Serenity 13/23c-10 well was successfully drilled on the area covered by Licence P.2358. Although the well path was consented to by the OGA, after the well operations were completed and i3 North Sea submitted WONS post drill information relating to the well, the OGA was notified by the licensees of the adjacent licence, P.983, subarea 13/23b, that the post drill well path for 13/23c-10 encroached closer than 125 metres to the licence boundary.

Model clause 20 in Licence P.2358 provides that: "No Well shall except with the consent in writing of the OGA be drilled or made so that any part thereof is less than one hundred and twenty-five metres from any of the boundaries of the Licence Area".

On 7 July 2020, i3 North Sea received a notification from the OGA informing i3 North Sea that the OGA are opening an inquiry into the circumstances surrounding the planning of the well 13/23c-10, the change to the consented well path for 13/23c-10 and i3 North Sea's failure to seek prior consent of the OGA to a well path that encroaches within 125m of the licence boundary. The enquiry will assess whether the issue merits further investigation and consider whether, and what form, of regulatory intervention may be appropriate.

In accordance with the "Enquiry Guidance" published by the OGA, the enquiry acts as a filter to enable the OGA to assess whether to proceed to an investigation. The outcomes of such enquiry or further investigation (as applicable) may be dispute resolution, sanctions investigation, commitments in lieu of further action, compliance plans, area plans, mediation or they may determine that the matter requires no further action to be taken. Although the Directors do not consider the nature of the licence breach to be material, there can be no assurance that the OGA will not decide to take action against i3 Energy North Sea and any such action may have a material adverse impact on the UK Group's operations and reputation in the industry.

3.4 **The Enlarged Group has a limited operating history and may not be able to develop commercially its contingent and prospective resources.**

The Enlarged Group has a limited operating history and has not achieved commercial production levels from any of its UK Assets. All the Group's UK Assets are currently classified as Contingent or Prospective Resources.

Contingent Resources are further classified into the following categories reflecting project maturity:

- (a) Contingent Resources (development pending);
- (b) Contingent Resources (development unclarified or on hold); and
- (c) Contingent Resources (development not viable).

Under PRMS definitions of project maturity sub-classes, the Group's Contingent Resource volumes in the UK are classified as "development unclarified" for Serenity and "development not viable" for Liberator East.

The UK Assets have not yet begun to generate revenues and the Company has not yet traded profitably with respect to the UK Assets. None of the Enlarged Group's UK Assets have achieved commercial production to date and the commercial viability of each of the Enlarged Group's UK Assets is dependent on a range of factors.

The Enlarged Group's UK Assets currently comprise Contingent Resources and Prospective Resources. Contingent Resources are those quantities of hydrocarbon estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies. The Enlarged Group's success will depend upon converting its UK Assets that are currently classified as contingent into reserves and commercial production and converting Prospective Resources into discoveries. These resources may not be considered commercially recoverable by the Enlarged Group for a variety of reasons, including the high costs involved in recovering the resources, the price of oil and gas at the time, the availability of the Enlarged Group's operational resources and other development plans that the Enlarged Group may have.

If the Enlarged Group is not successful in achieving commercial production from its UK Assets, the Enlarged Group's business, financial condition, results of operations and prospects would be materially adversely affected.

4 EXPLORATION, APPRAISAL, DEVELOPMENT AND PRODUCTION RISKS ASSOCIATED WITH THE GAIN ASSETS

4.1 **Financial performance of the Gain Assets is significantly dependent on the prevailing market prices for crude oil, natural gas and refined products**

Crude oil prices are impacted by a number of factors including, but not limited to: actions by the Government of Alberta including, without limitation, imposing, amending, or lifting crude oil production curtailments or Special Production Allowance ("SPA") for crude-by-rail, and compliance or non-compliance with imposed crude oil production curtailments or SPA for crude-by-rail; public sentiment towards non-renewable resources, including crude oil; and market access constrains and transportation interruptions (pipeline, marine or rail) and access to markets.

4.2 **The amount of oil and natural gas that the Gain Assets can produce and sell is subject to accessibility, availability, proximity and capacity of gathering, processing and pipeline systems**

The business associated with the Gain Assets depends in part upon the availability, proximity and capacity of oil and gas gathering systems, pipelines and processing facilities and rail loading facilities and railcars. Canadian federal and provincial regulation of oil and gas production, processing and transportation, tax and energy policies, general economic conditions, changes in supply and demand and changes in pipeline ownership or operation could adversely affect the Enlarged Group's ability to produce or market oil and natural gas products produced by the Gain Assets. If market factors change and inhibit the marketing of

production, overall production or realised prices may decline, which may affect the performance of the Enlarged Group.

4.3 The Gain Assets are affected by seasonal weather patterns

The level of activity in the Canadian oil and gas industry is influenced by seasonal weather patterns. Wet weather and spring thaw may make the ground unstable. Consequently, municipalities, provincial and state transportation departments enforce road bans that restrict the movement of rigs and other heavy equipment, thereby reducing activity levels. Also, certain oil and natural gas producing areas are located in areas that are inaccessible other than during the winter months because the ground surrounding the sites in these areas consists of swampy terrain. Seasonal factors, unexpected weather patterns, wildfires and floods may lead to declines in exploration and production activity and corresponding declines in the demand for crude oil and natural gas.

4.4 Potential losses as a result of title defects in Gain Assets

Unforeseen title defects may result in a loss of entitlement to production and reserves. Although the Company conducted various due diligence including a title review in accordance with industry practice and prior to the purchase of the Gain Assets, such reviews do not guarantee that an unforeseen defect in the chain of title will not arise and defeat the Enlarged Group's title to the purchased assets. The title review included a number of qualifications and assumptions. The provider of such title review has stated that those qualifications and assumptions do not give rise to material deficiencies in title, which would customarily result in an acquirer of oil and gas interests in the Province of Alberta not proceeding with a transaction. If such a title defect were to occur, or if any of the qualifications or assumptions included in the title review prove to be incorrect, the Enlarged Group's entitlement to the production from such purchased assets would be jeopardised and may adversely effect the business and operations of the Enlarged Group.

4.5 Aboriginal claims could have an adverse effect on the Gain Assets

The economic impact on the Gain Assets of claims of aboriginal title is unknown. Aboriginal people have claimed aboriginal title and rights to a substantial portion of Western Canada. The Company is unable to assess the effect, if any, that any such claim would have on the Gain Assets and on the impact to the business and operations of the Enlarged Group. Recent protests affecting transportation and other infrastructure in Canada, if continued, may have a negative impact on the ability of the Enlarged Group to sell its products.

4.6 Federal, provincial, state and local legislative and regulatory initiatives relating to hydraulic fracturing could result in increased costs and additional operating restrictions or delays associated with the Gain Assets

Hydraulic fracturing involves the high pressure injection of fluids and sand down a well to fracture the reservoir and thereby stimulate the increased flow of oil or gas into the well bore. Hydraulic fracturing has been the subject of greater regulatory and public scrutiny and regulation in certain jurisdictions of the world, including some of the areas in which the Gain Assets are located. In a limited number of areas, hydraulic fracturing has been banned pending public and scientific reviews or is subject to moratoria while regulators study the practice. The Enlarged Group may be required to expend additional costs to comply with future regulatory requirements with respect to hydraulic fracturing or, in the future, be unable to carry out hydraulic fracturing operations, thereby lessening the volume of oil and gas the Enlarged Group could otherwise produce and this could have a material operational and financial impact on the Enlarged Group and adversely affect the market price of the Ordinary Shares.

5 GENERAL RISKS ASSOCIATED WITH THE OPERATIONS AND BUSINESS OF THE ENLARGED GROUP

5.1 The Enlarged Group's business plan requires substantial capital expenditure and the future expansion and development of the Enlarged Group's business will require additional capital. As such, the Enlarged Group may not be able to generate sufficient cash flows or finance its activities in the longer term if it is unable to raise additional capital

The Enlarged Group's business plan to exploit and commercialise its assets will require significant capital expenditure. The Enlarged Group will also be required to make substantial capital expenditures for the identification, acquisition, exploration, development and production of oil and gas resources and/or reserves in the future.

There is no assurance that the Enlarged Group will be able to generate sufficient internal cash flow, or that the necessary debt or equity financing, will be available, or will be sufficient, to meet the Enlarged Group's funding requirements in the longer term to pursue its future strategic decisions, or that, if additional debt or equity financing is available, it will be on terms acceptable to the Enlarged Group.

The Enlarged Group may not be able to generate sufficient and sustainable cash flows or finance its activities in the longer term if it is unable to raise additional capital. Moreover, disruptions and volatility in the global financial markets may lead to an increase in interest rates or a contraction in credit availability impacting the Enlarged Group's ability to finance its operations. The Enlarged Group's inability to access sufficient capital for its operations or access capital on terms that are acceptable to the Enlarged Group may have a material adverse effect on its business, financial condition, results of operations and prospects.

5.2 The Enlarged Group's debt level and covenants in the agreements governing its debt could negatively impact its financial condition, ability to make returns to Shareholders, results of operations, cash flows and business prospects

The Enlarged Group may, from time to time, finance a significant portion of its operations through debt. Indebtedness may limit the timing or amount of returns to Shareholders, and could affect the market price of the Ordinary Shares. In particular, it should be noted that the terms of the Loan Notes prevent the Company from paying dividends to Shareholders without the consent of Loan Noteholders while any of the Loan Notes remain outstanding. In the event that the Directors wish to declare and pay a dividend at such time as any of the Loan Notes remain outstanding, there can be no assurance that consent will be given by Loan Noteholders on terms acceptable to the Enlarged Group.

The payments of interest and principal, and other costs, expenses and disbursements to the Enlarged Group's lenders reduces amounts available for return to Shareholders. Variations in interest rates and scheduled principal repayments could result in significant changes to the amount of cash flow required to be applied to the debt before payment of any amounts to the Shareholders. Significant reductions to cash flow or increases in drawn amounts under any future credit facilities may result in the Enlarged Group breaching its debt covenants under the agreements governing its existing or future long-term debt. If a breach occurs, there is a risk that the Enlarged Group may not be able to negotiate covenant relief with one or more of its long-term debt counterparties. Failure to comply with debt covenants or negotiate relief may result in its indebtedness under existing or future credit facilities becoming immediately due and payable, which may have a material adverse effect on the operations and financial condition of the Enlarged Group.

5.3 The Enlarged Group's operations are dependent on the availability of drilling and other equipment and independent contractors

The Enlarged Group's operations are dependent on the availability of rigs, other drilling equipment and offshore services, including third party services. The Enlarged Group will contract or lease services and equipment from third party providers and suppliers. Such equipment and services may be scarce and may not be readily available at the times and places required and/or the specific service providers that the Enlarged Group wishes to engage with may not be available at the relevant times.

Although the Enlarged Group has based its funding requirements on reasonable expectations of costs associated with securing supplies and services, a risk remains that the actual cost of these services are materially higher than quoted or expected with a consequent adverse effect on the Enlarged Group's financial performance and liquidity.

In addition, different types of fields require different types of rigs – the availability of which is, amongst other things, linked to the rig specifications. Even where the Enlarged Group has secured rigs under a contract, the rigs will usually only be available for use after the current user has finished its drilling programme. If there are delays in the completion of the user's current drilling programme, the Enlarged Group could be delayed in procuring contracted rigs. Under the terms of its licences, the Enlarged Group may have a commitment to drill within a certain time frame. The Enlarged Group, therefore, risks losing licences if it is delayed in obtaining, or fails to obtain, rigs and thus fails to meet its drilling commitments.

The scarcity of third party services and equipment as well as any increases in their costs, together with the failure of a third party provider or supplier to perform its contractual obligations, or an inability to achieve a commercially viable contract with a third party provider or supplier could delay, restrict or lower the profitability and viability of the Enlarged Group's activities. This could have a material adverse effect on the Enlarged Group's business, financial condition, results of operations and prospects.

Although the Enlarged Group monitors the credit worthiness of third parties it contracts with, there can be no assurance that the Enlarged Group will not experience a loss for non-performance by any counterparty with whom it has a commercial relationship. Such events may have material adverse consequences on the business of the Enlarged Group and could affect the market price of its Ordinary Shares.

5.4 The assets are located in areas subject to variable weather conditions which may restrict the periods in which the Enlarged Group can implement its drilling programme

Weather conditions could impede the Enlarged Group's drilling and testing operations for its assets and otherwise have a material adverse effect on its business, financial condition, results of operations and prospects.

For further discussion about the impact of seasonal weather conditions, see "Exploration, appraisal, development and production risks associated with the Gain Assets – The Gain Assets are affected by seasonal weather patterns".

5.5 The Enlarged Group may be unable to acquire, retain, convert or renew the licences, permits and other regulatory approvals necessary for its operations

The ability of the Enlarged Group to develop and exploit oil and gas resources depends on the Enlarged Group's continued compliance with the obligations of its current licences and the Enlarged Group's ability to move into the production phase of each licence. The Enlarged Group depends on licences whose grant and renewal is subject to the discretion of the relevant governmental authorities and cannot be assured. There can also be no assurance that the Enlarged Group will be able to identify suitable licensing acquisition opportunities or that the Enlarged Group will be able to make such acquisitions on appropriate terms.

It is also possible that the Enlarged Group may be unable or unwilling to comply with the terms or requirements of the licences it holds, including the meeting of specified deadlines for prescribed tasks and other obligations set out in the work programmes attached to the licences. Non-compliance with these obligations may lead to revocation of the licence. Although in certain circumstances the relevant authority may agree to an extension of time to enable the licensee to agree to the obligation in question there is no guarantee that an extension will be given.

The Enlarged Group, therefore, risks losing licences if it is delayed in obtaining, or fails to obtain, rigs and thus fails to meet its drilling commitments.

5.6 The Enlarged Group's success is dependent upon its ability to attract and retain key personnel

The Enlarged Group's success depends, to a large extent, on certain of its key personnel having expertise in the areas of exploration and development, operations, engineering, business development, oil and gas marketing, finance and accounting. A number of key

people have been retained by the Enlarged Group and these people are influential to the development and continued operation of the Enlarged Group's business. The loss of the services of any key personnel could have a material adverse effect on the Enlarged Group.

In addition, the competition for qualified personnel in the oil and gas industry can be intense. There can be no assurance that the Enlarged Group will be able to continue to attract and retain all personnel necessary for the development and operation of its business.

5.7 The Enlarged Group may be unable to manage the growth in its operations

The Enlarged Group has experienced significant growth and development in a relatively short period of time. Management of that growth requires, among other things: implementation and continued development of financial, management and other controls, including financial and reporting procedures, and information technology systems; and hiring, training, motivating and retaining quality personnel. Failure to successfully manage the Enlarged Group's business and expected growth and development could have a material adverse effect on the Enlarged Group's business, financial condition, results of operations and prospects. Further, no assurance can be given that the Enlarged Group's investment strategies can be implemented successfully in the future.

5.8 Fluctuations in currency exchange rates may materially and adversely affect the Enlarged Group's financial condition and results of operation

The drilling rig contracts that the Enlarged Group proposes to enter into for its UK operations will most likely be denominated in US dollars. In addition, the Enlarged Group's cash and cash equivalents are predominately held in sterling in the UK although the Enlarged Group will hold cash balances in US dollars to meet actual or expected commitments in that currency. As a result, the Enlarged Group is potentially exposed to adverse fluctuations in the exchange rates between sterling and US dollars. The Enlarged Group's Canadian operations are conducted using Canadian dollars and cash transfers between Canada and the UK will be exposed to adverse fluctuations in the exchange rates between sterling and US dollars.

5.9 Future litigation could adversely affect the Enlarged Group's business, results of operations or financial condition

Damages and/or other remedies claimed under any litigation are difficult to predict, and may be material. The outcome of such litigation may materially impact the Enlarged Group's business, financial condition, results of operations and prospects. While the Enlarged Group will assess the merits of each lawsuit and defend itself accordingly, it may be required to incur significant expenses or devote significant resources to defending itself against such litigation. In addition, adverse publicity surrounding such claims may have a material adverse effect on the Enlarged Group's business, financial condition, results of operations and prospects.

5.10 The Enlarged Group cannot accurately predict its future decommissioning liabilities

The Enlarged Group, through its lease and licence interests, expects to assume 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 legislative and regulatory requirements concerning the decommissioning of wells, pipelines and production facilities and require the Enlarged 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 Enlarged Group will incur in satisfying its decommissioning obligations. When its decommissioning liabilities crystallise, the Enlarged 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 Enlarged Group will remain liable and its decommissioning liabilities could be magnified significantly through such default. Any significant increase in the actual or estimated decommissioning costs that the Enlarged Group incurs may adversely affect its financial condition.

5.11 The Enlarged Group holds both operated and non-operated interests in Canada and may farm down part of its licence interests in the UK and may rely on third parties to operate such licence interests

Although the Enlarged Group intends in the UK to act as licence operator and to retain a high working interest in all of its exploration assets during the exploration and early appraisal stage where there is known oil on structure, in due course the Enlarged Group may, subject to regulatory consents where required, farm down part of its licence interests to third parties, some of which may act as operator. The Enlarged Group holds both operated and non-operated licence interests in Canada. Operating agreements with third party operators typically provide for a right of consultation or consent in relation to significant matters and generally impose standards and requirements in relation to the operator's activities. However, in the event that the Enlarged Group does not act as operator in respect of certain of its licence interests, the Enlarged Group will generally have limited control over the day-to-day management or operations of those assets and will therefore be dependent upon the third party operator. A third party operator's mismanagement of an asset may result in significant delays or materially increased costs to the Enlarged Group. The Enlarged Group's return on assets operated by others will therefore depend upon a number of factors that may be outside the Enlarged Group's control, including the timing and amount of capital expenditures, the operator's expertise and financial resources, the approval of other participants, the selection of technology and risk management practices.

Generally, failure by any licence partner (whether the operator or otherwise) to fulfil its financial obligations may increase the Enlarged Group's exposure related to the licence in question. Any significant increase in costs as a consequence of joint and several liabilities may materially adversely affect the financial condition of the Enlarged Group.

In Canada, operating agreements which govern the properties not operated by the Enlarged Group typically require the operator to conduct operations in a good and "workmanlike" manner. These operating agreements generally provide, however, that the operator has no liability to the other non-operated working interest owners for losses sustained or liabilities incurred, except for liabilities that may result from gross negligence or wilful misconduct.

5.12 Reliance on Toscana to manage the Gain Assets

As i3 Canada does not at this stage have an operating licence in Canada from the AER to enable it to manage the Gain Assets, i3 Canada has entered into the Toscana Management Agreement, the commencement of which is conditional on completion of the Gain Transaction. Pursuant to the terms of the Toscana Management Agreement, Toscana will provide all management and administrative services to i3 Canada as are necessary for the proper management and administration of the Gain Assets.

It should be noted that the Toscana Management Agreement can be terminated on 90 days' notice by Toscana should the Toscana Acquisition not take place. Although the Directors believe that in the event Toscana sought to terminate the Toscana Management Agreement such notice period would enable i3 Canada to find another licensed operator to manage the Gain Assets, there can be no assurance that another licensed operator will be capable of being engaged by i3 Canada to manage the Gain Assets on terms acceptable to the Enlarged Group in such timeframe.

5.13 Reliance on third party infrastructure

The Enlarged Group's activities and business model of field development are dependent upon the availability of third party infrastructure which, if it fails, or is not, or ceases to be, available on reasonable commercial terms, or at all, may result in delays to field development and production or impossibility of field development and production which would result in delayed, lower than expected or no cash generation by the Enlarged Group. This would have a material adverse effect on the Enlarged Group's business, prospects, financial condition and operations.

5.14 Market perception

Market perception of junior exploration and extraction companies, as well as oil and gas companies in general, may change which could impact on the value of the investors' holdings

and the ability of the Enlarged Group to raise further funds through the issue of further Ordinary Shares or otherwise. A number of factors, including the effects of the use of hydrocarbons on climate change, the impact of oil and natural gas operations on the environment, environmental damage relating to spills of petroleum products during production and transportation and Indigenous rights, have affected certain investors' sentiments towards investing in the oil and natural gas industry. As a result of these concerns, some institutional, retail and governmental investors have announced that they no longer are willing to fund or invest in oil and natural gas properties or companies, or are reducing the amount thereof over time. In addition, certain institutional investors are requesting that issuers develop and implement more robust social, environmental and governance policies and practices. Developing and implementing such policies and practices can involve significant costs and require a significant time commitment. Failing to implement the policies and practices, as requested by institutional investors, may result in such investors reducing their investment in the Ordinary Shares, or not investing in it at all. Any reduction in the investor base interested or willing to invest in the oil and natural gas industry and more specifically, the Enlarged Group, may result in limiting the Enlarged Group's access to capital, increasing the cost of capital, and decreasing the price and liquidity of the Ordinary Shares.

5.15 Delays in business operations could adversely affect income and financial condition

Delays in business operations of the Enlarged Group could adversely affect the income, financial condition and market price of Ordinary Shares of the Enlarged Group. In addition to usual delays in payment by purchasers of oil and natural gas to the operators of oil and gas properties, and the delays of those operators in remitting payment to the Enlarged Group, payments between any of these parties may also be delayed by: restrictions imposed by lenders; delays in the sale or delivery of products; delays in the connection of wells to a gathering system; restrictions due to limited pipeline, railcar, trucking or refinery capacity; blowouts or other accidents; the effects of and response to COVID-19; blockades and social unrest; accounting delays; adjustments for prior periods; recovery by the operator of expenses incurred in the operation of the properties; or the establishment by the operator of reserves for these expenses. Any of these or other delays in the business operations of the Enlarged Group could reduce its income, its financial condition and could expose the Enlarged Group to third party credit risks.

5.16 Hedging limits participation in commodity price increases and increases counterparty credit risk exposure

The Enlarged Group periodically enters into hedging activities with respect to a portion of its production to manage its exposure to oil and gas price volatility. To the extent that it engages in price risk management activities to protect itself from commodity price declines, the Enlarged Group may be prevented from fully realising the benefits of commodity price increases above the prices established by its hedging contracts. In addition, hedging arrangements may expose the Enlarged Group to the risk of financial loss in certain circumstances, including instances in which the contract counterparties fail to perform under the contracts.

5.17 The Enlarged Group's information assets and critical infrastructure may be subject to cyber security risks

The Enlarged Group depends upon the availability, capacity, reliability and security of its information technology infrastructure to conduct daily operations. Various information technology systems are relied upon to estimate reserve quantities, process and record financial data, manage the land base, analyze seismic information, administer contracts and communicate with employees and third-party partners. The Enlarged Group is subject to a variety of information technology and system risks as a part of its normal course operations, including potential breakdown, invasion, virus, cyber-attack, cyber-fraud, security breach, and destruction or interruption of the Enlarged Group's information technology systems by third parties or insiders. Unauthorised access to these systems by employees or third parties could lead to corruption or exposure of confidential, fiduciary or proprietary information, interruption to communications or operations or disruption to its business activities or competitive position. Disruption of critical information technology services or breaches of information security, could have a negative effect on the Enlarged Group's performance and earnings, as well as

reputation. The Enlarged Group applies technical and process controls in line with industry-accepted standards to protect information assets and systems; however, these controls may not adequately prevent cyber-security breaches. The significance of any such event is difficult to quantify but may in certain circumstances be material and could have a material adverse effect on the business, financial condition and results of operations of the Enlarged Group.

5.18 **Political uncertainty**

In the last several years, the United States and certain European countries have experienced significant political events that have cast uncertainty on global financial and economic markets. Since the 2016 U.S. presidential election, the U.S. administration has withdrawn the United States from the Trans-Pacific Partnership and the United States Congress has passed sweeping tax reform, which, among other things, significantly reduces U.S. corporate tax rates. This has affected the competitiveness of other jurisdictions, including Canada. In addition, the North American Free Trade Agreement (“**NAFTA**”) has been renegotiated and on November 30, 2018, Canada, the U.S. and Mexico signed the United States-Mexico-Canada Agreement which has been ratified by all three countries and came in force to replace NAFTA on 1 July 2020. The U.S. administration has also taken action with respect to reduction of regulation, which may also affect relative competitiveness of other jurisdictions. It is unclear exactly what other actions the U.S. administration will implement, and if implemented, how these actions may impact Canada and in particular the oil and natural gas industry. Any actions taken by the current U.S. administration may have a negative impact on the Canadian economy and on the businesses, financial conditions, results of operations and the valuation of Canadian oil and natural gas companies, including the Gain Assets.

In addition to the political disruption in the United States, the impact of the United Kingdom's exit from the European Union remains to be determined. Some European countries have also experienced the rise of anti-establishment political parties and public protests held against open-door immigration policies, trade and globalization. Conflict and political uncertainty also continues to progress in the Middle East. To the extent that certain political actions taken in North America, Europe and elsewhere in the world result in a marked decrease in free trade, access to personnel and freedom of movement, it could have an adverse effect on the ability to market products internationally, increase costs for goods and services required for the operation of the Gain Assets, reduce access to skilled labour and negatively impact the Enlarged Group's business, operations, financial conditions and the market value of the Ordinary Shares.

A change in federal, provincial or municipal governments in Canada may have an impact on the directions taken by such governments on matters that may impact the oil and natural gas industry including the balance between economic development and environmental policy. Alberta elected a new government in 2019 that is supportive of the Trans Mountain Pipeline expansion project. Though the Supreme Court of Canada unanimously rejected the government of British Columbia's proposed regulation of the transport of heavy oil products into and through British Columbia in January 2020, tensions remain high between provincial and federal governments. Continued uncertainty and delays have led to decreased investor confidence, increased capital costs and operational delays for producers and service providers operating in the jurisdiction where the Gain Assets are active.

The Canadian federal Government was re-elected in 2019, but in a minority position. The ability of the minority federal government to pass legislation will be subject to whether it is able to come to agreement with, and garner the support of, the other elected parties, most of whom are opposed to the development of the oil and natural gas industry. The minority federal government will also be required to rely on the support of the other elected parties to remain in power, which provides less stability and may lead to an earlier subsequent federal election. Lack of political consensus, at both the federal and provincial level, continues to create regulatory uncertainty, the effects of which become apparent on an ongoing basis, particularly with respect to carbon pricing regimes, curtailment of crude oil production and transportation and export capacity, and may affect the business of participants in the oil and natural gas industry in Canada.

5.18 **Exploration and appraisal activities are capital intensive and there is no guarantee of success**

Exploration and appraisal activities are capital intensive and their successful outcome cannot be assured. The Enlarged Group intends to undertake exploration and appraisal activities and incur significant costs with no guarantee that such expenditures will result in the discovery of commercially deliverable oil or gas. The Enlarged Group intends to explore in geographic areas, where environmental conditions are challenging and costs can be high. The costs of drilling, completing and operating wells are often uncertain. As a result, there may be cost overruns or requirements to curtail, delay or cancel drilling operations because of many factors, including unexpected drilling conditions, pressure or irregularities in geological formations, equipment failures or accidents, adverse weather conditions, compliance with environmental regulations, governmental requirements and shortages or delays in the availability of drilling rigs and the delivery of equipment. Capital expenditure commitments may vary (or be increased) as a result of actual exploration performance. The risk of incurring such costs and the failure of such exploration may adversely affect the Company's profitability.

5.19 **Environmental factors**

The Enlarged Group's operations are, and will be, subject to environmental regulation in the UK and Canada and any other regions in which the Enlarged Group may operate. Environmental regulations may evolve in a manner that will require stricter standards and enforcement measures being implemented, increases in fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors and employees. Compliance with environmental regulations could increase the Enlarged Group's costs. Should the Enlarged Group's operations not be able to comply with this mandate, financial penalties may be levied. Environmental legislation can provide for restrictions and prohibitions on spills, releases of emissions of various substances produced in association with oil, condensate and natural gas operations. In addition, certain types of operations may require the submission and approval of environmental impact assessments. The Enlarged Group's operations will be subject to such environmental policies and legislation.

Environmental legislation and policy may be periodically amended. Such amendments may result in stricter standards of enforcement and in more stringent fines and penalties for non-compliance. Environmental assessments of existing and proposed projects may carry a heightened degree of responsibility for companies and their directors, officers and employees. The costs of compliance associated with changes in environmental regulations could require significant expenditure, and breaches of such regulations may result in the imposition of material fines and penalties. In an extreme case, such regulations may result in temporary or permanent suspension of production operations. There can be no assurance that these environmental costs or effects will not have a materially adverse effect on the Enlarged Group's future financial condition or results of operations.

6 RISKS RELATED TO THE OIL AND GAS INDUSTRY

6.1 **A material decline in oil and gas prices may adversely affect the Enlarged Group's results of operations and financial condition**

Both oil and gas prices can be volatile and subject to fluctuation in response to relatively minor changes in the supply of, and demand for, oil and gas, market uncertainty and a variety of additional factors that are beyond the control of the Enlarged Group. Historically, oil and gas prices have fluctuated widely for many reasons, including: global and regional supply and demand; the impacts of COVID-19 and response; the actions of the Organisation of the Petroleum Exporting Countries ("**OPEC**") including, without limitation, compliance or non-compliance with quotas agreed upon by OPEC members and decisions by OPEC not to impose production quotas on its members; political, economic and military developments in oil and gas producing regions, particularly the Middle East, Africa, Russia and South America; the price level of foreign imports; domestic and foreign governmental regulations, taxation and actions, including production curtailment and environmental and climate change regulation; the availability, proximity and capacity of gathering, transportation, processing and/or refining facilities in regional or localised areas that may affect the realised price for oil and natural gas; blockages of transportation infrastructure and civil unrest; inventory storage levels; the price,

availability and acceptance of alternative fuels; technological advances affecting energy consumption; speculation by investors in oil and natural gas; variations between product prices at sales points and applicable index prices; global and regional economic conditions, including foreign currency exchange rates; and weather conditions and natural disasters. It is impossible to predict accurately future oil and gas price movements. Accordingly, oil and gas prices may not remain at their current levels. Declines in oil and gas prices may adversely affect market sentiment and as a consequence the market price of the Ordinary Shares, and furthermore may affect the Enlarged Group's cash flow, liquidity and profitability, and limit the amount of oil and gas that the Enlarged Group could potentially market in the future.

6.2 The oil and gas resource data in this Admission Document are only estimates, and the Enlarged Group's production, revenue and expenditure with respect to its resources may be materially different from such estimates

There are numerous uncertainties inherent in estimating quantities of proved, probable and possible reserves and contingent and prospective resources and associated future production and cash flows, including many factors beyond the control of the Enlarged Group. The resources and associated production opex, capex and abandonment profiles set forth in the CPRs and this Admission Document represent estimates only. In general, any estimate of the quantity of economically recoverable oil and gas resources and associated production, opex, capex and abandonment profiles will be based upon a number of variable factors and assumptions made as at the date on which the resources estimates were determined, such as historic production rates, ultimate reserves recovery, interpretation of geological and geophysical data, timing and amount of capital expenditures, marketability of oil and gas, royalty rates, continuity of current fiscal policies and regulatory regimes, future oil and gas prices, operating costs, development and production costs and workover and remedial costs, all of which may vary from actual results. Estimates are also to some degree speculative, and classifications of resources are only attempts to define the degree of speculation involved. For these reasons, estimates of the economically recoverable oil and gas resources attributable to a particular group of properties, the classification of such resources based on risk of recovery and estimates of expected future net revenues prepared by different engineers, or by the same engineers at different times, may vary. As a result, the estimates of the Enlarged Group's resources may require substantial upward or downward revisions if subsequent drilling and testing reveal differences. Any downward adjustment could indicate lower future production and thus adversely affect the Enlarged Group's business, financial condition, results of operations and prospects. Furthermore, a decline in the Enlarged Group's resources may affect its ability to raise or access sufficient capital in the longer term for its future operations. Estimates of proved, probable and possible reserves and resources that may be developed and produced in the future are often not based on actual production history but on volumetric calculations and analogies to similar types of reserves and resources. Estimates based on these methods are generally less reliable than those based on actual production history. Subsequent evaluation of the same reserves and resources based on production history and production practices may result in variations in the estimated reserves and resources and these variations could be material. Prospective investors are cautioned not to assume that all or any part of "contingent" or "prospective" resources will ever be converted into "proved, probable" or "possible" reserves.

6.3 Canadian and United Kingdom practices may differ in reporting reserves and production and the reserves reported in the Gain Assets may not be comparable to those in the UK Assets

The resource data set forth in the CPRs for the UK Assets have been prepared in accordance with standards established by the 2018 SPE Petroleum Resource Management System. The resource data set forth in the CPRs for the Gain Assets have been prepared in accordance with the requirements of the Canadian Oil and Gas Evaluation Handbook. Additionally for the purposes of continuous disclosure, the Gain Assets report their production and reserve quantities in accordance with Canadian practices and specifically in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities. These practices are different from the practices used to report production and to estimate reserves in reports and other materials filed by the Company with regard to the UK Assets in the United Kingdom. As a consequence of the foregoing, the reserve estimates and production volumes relating to the

Gain Assets may not be entirely comparable to those made by the Company utilising United Kingdom reporting and disclosure standards.

6.4 **The Enlarged Group's success depends on its ability to explore, appraise and develop oil and gas resources that are economically recoverable**

The Enlarged Group's long-term commercial success depends on its ability to acquire or explore, appraise, develop and commercially produce oil and gas resources. Exploration and development activities are inherently risky and there can be no assurance that any material additional resources will be established from any of its assets, any of the Enlarged Group's contingent resources or prospective resources will be converted into commercial production, or that the Enlarged Group will meet its targeted production volumes or timelines. Future increases in the Enlarged Group's resources or conversion of any of them into reserves will depend not only on its ability to explore, appraise and develop its existing assets but also on its ability to select and acquire suitable additional assets either through awards at licensing rounds or through acquisitions. From time to time, the Enlarged Group may submit applications for further licences. However, there can be no assurance that the Enlarged Group will be awarded such licences, that the Enlarged Group will accept such licences (if so awarded) or that the Enlarged Group will be able to commercially develop the assets which are the subject of such licences. There are many reasons why the Enlarged Group may not be able to find or acquire oil and gas reserves or resources or develop them for commercially viable production. For example, the Enlarged Group may be unable to negotiate commercially reasonable terms for its acquisition, appraisal, development or production activities. Factors such as adverse weather conditions, natural disasters, equipment or services shortages, procurement delays or difficulties arising from the political, environmental and other conditions in the areas where the reserves or resources are located or through which the Enlarged Group's products are transported may increase costs and make it uneconomical to develop potential reserves or resources. The costs of drilling, completing and operating wells is often uncertain. As a result, the Enlarged Group may incur cost overruns or may be required to curtail, delay or cancel drilling operations because of many factors, including unexpected drilling conditions, irregularities in geological formations, equipment failures or accidents, adverse weather conditions, compliance with environmental regulations, governmental requirements and shortages and delays in the availability of drilling rigs and the delivery of equipment. Without successful acquisition or exploration activities, the Enlarged Group's resources, production and revenues will decline. There is no assurance that the Enlarged Group will discover, acquire or develop further commercial quantities of hydrocarbons.

6.5 **The Enlarged Group may miss out on operational opportunities if it is unable to successfully co-ordinate its exploration and appraisal projects**

The Enlarged Group's operational projects require key asset delivery personnel to be resourced and the co-ordination of a number of activities including obtaining seismic data, carrying out subsea surveys and securing rig capacity for the necessary drilling. There are long lead times to arrange these activities and if the Enlarged Group fails to successfully obtain the necessary personnel in time or to co-ordinate the timely delivery or completion, as the case may be, of any of these activities, it may miss out on operational opportunities or may be required to incur additional expenditure. The Enlarged Group's projects also require the procurement of long lead items such as rig contracts, well heads, well test equipment and specialist logging tools. A failure to procure these items in a timely manner may delay operations and increase expenditure.

6.6 **Exploration and appraisal projects do not necessarily result in a profit on the investment or the recovery of costs**

Exploration and appraisal activities are capital intensive and inherently uncertain in their outcome. The Enlarged Group's oil and gas exploration and appraisal projects may involve unprofitable efforts, either from dry wells or from wells that are productive but do not produce sufficient net revenues to return a profit after development, operating and other costs. Completion of a well does not guarantee a profit on the investment or recovery of the costs associated with that well. 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, adverse geological conditions and technical and operational difficulties as a result of the water depth for offshore operations, and subsurface reservoir depth (including operational difficulties in avoiding drilling fluid losses and preventing substantial formation damage during drilling) and other factors. While diligent well supervision and effective maintenance operations can contribute to maximising production rates over time, production delays and declines from normal field operating conditions cannot be eliminated and may adversely affect the Enlarged Group's business, financial condition, results of operations and prospects.

6.7 The Enlarged Group's operations are subject to a number of risks and hazards that may result in material losses in excess of insurance proceeds

Oil and gas exploration, development and production operations are inherently risky and hazardous. Risks typically associated with these operations include geological and seismic risks, encountering unexpected formations or pressures, premature decline of reservoirs, drilling damage (which can lead to reduced productivity), early water encroachment and the intrusion of water into producing formations. Losses resulting from the occurrence of any of these risks could have a material adverse effect on the Enlarged Group's business, financial position, results of operations and prospects. Hazards typically associated with oil and gas exploration, development and production operations include fires, explosions, blowouts, cratering, marine perils (including severe storms and other adverse weather conditions which may restrict the periods in which the Enlarged Group can implement its drilling programme), vessel collisions, sour gas releases and oil spills and other environmental hazards, equipment failures and other accidents, uncontrollable flows of oil, natural gas or well fluids, adverse weather conditions, pollution, and other environmental risks, each of which could result in substantial damage to oil and gas wells, production facilities, other property and the environment or in personal injury or could result in government intervention which could in turn negatively impact on the Enlarged Group's operations. Oil and gas installations are also known to be likely objects, and even targets, of military operations and terrorism. Although the Enlarged Group will exercise due care in the conduct of its business and obtain insurance prior to drilling in accordance with industry standards to cover certain of these risks and hazards, insurance is subject to limitations on liability and, as a result, may not be sufficient to cover all of the Enlarged Group's losses. In addition, the risks or hazards associated with the Enlarged Group's operations may not in all circumstances be insurable or, in certain circumstances, the Enlarged Group may elect not to obtain insurance to deal with specific events due to the high premiums associated with such insurance or for other reasons. The occurrence of a significant event against which the Enlarged Group is not fully insured if such risks exceed policy limits or are not covered, or the insolvency of the insurer of such event, could have a material adverse effect on the Enlarged Group's business, financial condition, results of operations and prospects.

The payment by the Enlarged Group's insurers of any insurance claims may result in increases in premiums payable by the Enlarged Group for its insurance coverage and adversely affect the Enlarged Group's financial performance. In the future, some or all of the Enlarged Group's insurance coverage may become unavailable or prohibitively expensive.

6.8 Force Majeure

The Enlarged Group's operations, now or in the future, may be adversely affected by risks outside the control of the Enlarged Group, including but not limited to: labour unrest, civil disorder, war, subversive activities or sabotage, fire, floods, explosions or other catastrophes, epidemic or quarantine restrictions.

6.9 Climate change legislation or regulations restricting emissions of greenhouse gases could result in increased operating costs and reduced demand for oil and gas that the Enlarged Group produces

Complying with the Greenhouse Gas Pollution Pricing Act (Canada) ("GGPPA") could result in increased operating costs as the Enlarged Group adjusts to the new fuel charges potentially imposed by the GGPPA. Additionally, complying with methane reduction regulations applicable to the Enlarged Group's business could result in it incurring additional operating costs to in order to achieve compliance.

In Saskatchewan, it is not currently possible to predict the specific changes or the impact that the Management and Reduction of Greenhouse Gases Act (Saskatchewan) will have on the business, operations and/or finances of the Enlarged Group. Changes to federal legislation, as well as legislation in British Columbia, Alberta and Saskatchewan require the restriction or reduction of greenhouse gas emissions or emissions intensity from current and future operations and facilities, which may lead to increased operational costs associated with emission reductions, payments to technology funds, payments of carbon levies, the purchase and retirement of emission reductions or offset credits, or a combination of such actions. The required greenhouse gas reductions may not be technically or economically feasible and the failure to meet such emission reduction or emission intensity reduction requirements or other compliance mechanisms may materially adversely affect the Enlarged Group's business and result in fines, penalties and the suspension of some operations. As well, equipment from suppliers which can meet future emission standards may not be available on an economic basis and other compliance methods of reducing emissions or emission intensity to levels required in the future may significantly increase the Enlarged Group's operating costs or reduce output. Emission reductions or offset credits may not be available on an economic basis.

The current state of development of ongoing international climate initiatives and any related domestic actions make it difficult to assess the timing or effect on the Enlarged Group's operations or to predict with certainty the future costs that it may incur in order to comply with future international treaties or domestic regulations. Moreover, some experts believe climate change poses potential physical risks, including an increase in sea level and changes in weather conditions, such as an increase in precipitation and extreme weather events. In addition, warmer winters in some regions as a result of climate change could also decrease demand for natural gas. To the extent that such unfavorable weather conditions are realised due to climate change or otherwise, the Enlarged Group's operations may be adversely affected to a greater degree than it has previously experienced, including increased delays and costs. However, the uncertain nature of changes in extreme weather events (such as increased frequency, duration, and severity) and the long period of time over which any changes would take place make any estimations of future financial risk to the Enlarged Group's operations caused by these potential physical risks of climate change unreliable.

6.10 The Enlarged Group's business is subject to government regulation with which it may be difficult to comply and which may change

The Enlarged Group's oil and gas operations are principally subject to the laws and regulations of England (and in certain instances Scotland) and Canada (including the Provinces of Alberta, British Columbia and Saskatchewan), including those relating to EHS matters and the production, pricing and marketing of oil and gas. In addition, the Enlarged Group will be subject to laws affecting taxation, royalties and duties. In order to conduct its operations in compliance with these laws and regulations, the Enlarged Group must obtain licences and permits from various government authorities. The grant, continuity and renewal of the necessary approvals, permits, licences and contracts, including the timing of obtaining such licences and the terms on which they are granted, are subject to the discretion of the relevant governmental and local authorities in the United Kingdom and Canada and cannot be assured. In addition, the Enlarged Group may incur substantial costs in order to maintain compliance with these existing laws and regulations and additional costs if these laws are revised or if new laws affecting the Enlarged Group's operations are passed.

Under these laws and regulations, the Enlarged Group could be liable for personal injuries, property damage and other damages. Failure to comply with these laws and regulations also may result in the suspension or termination of the Enlarged Group's operations and subject it to administrative, civil and criminal penalties. Moreover, these laws and regulations could change in ways that could substantially increase costs. Any such liabilities, penalties, suspensions, terminations or regulatory changes could materially and adversely affect the Enlarged Group's financial condition and results of operations.

Regulations and laws are subject to ongoing policy initiatives, and the Enlarged Group cannot predict the future course of regulations or legislation and their respective ultimate effects. Such changes could materially impact the Enlarged Group's business, financial position and results of operations.

6.11 The Enlarged Group's operations expose it to significant compliance costs and liabilities in respect of EHS matters

The Enlarged Group's operations and assets are affected by numerous laws and regulations concerning EHS matters including, but not limited to, those relating to discharges of hazardous substances into the environment, the handling and disposal of waste and the health and safety of employees. The technical requirements of these laws and regulations are becoming increasingly complex, stringently enforced and expensive to comply with and this trend is likely to continue. Any failure to comply with EHS laws and regulations may result in regulatory action (which can include statutory orders requiring steps to be taken or prohibiting certain operations), the imposition of fines or the payment of compensation to third parties. All of these liabilities and any other regulatory actions could have a material adverse effect on the Enlarged Group's business, financial condition, results of operations and prospects.

Certain EHS laws provide for strict, joint and several liability, without regard to negligence or fault, for natural resource damages, health and safety, remediation and clean-up costs of spills and other releases of hazardous substances, and such laws may impose liability for personal injury or property damage as a result of exposure to hazardous substances. Further, such EHS laws and regulations may expose the Enlarged Group to liability for the conduct of others or for acts that complied with all applicable EHS laws when they were performed. In addition, the enactment of new EHS laws or regulations or stricter enforcement or new interpretations of existing EHS laws or regulations could have a significant impact on the Enlarged Group's operating or capital costs and require further expenditure to modify operations, upgrade employee and contractor accommodation and other infrastructure, install pollution control equipment, perform clean-up operations, curtail or cease certain operations, or pay fines or make other payments for pollution, discharges or other breaches of EHS requirements. There can be no assurances that the Enlarged Group will be able to comply with such EHS laws in the future. The failure to comply with such EHS laws or regulations could result in substantial costs and/or liabilities to third parties or government entities which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

6.12 A violation of EHS requirements and the occurrence of any accidents could disrupt the Enlarged Group's operations and increase operating costs

EHS authorities such as the Oil and Gas Commission in British Columbia and the UK Health and Safety Executive have extensive enforcement powers under EHS laws. These powers extend to statutory notices to require operational steps and to prohibit certain activities or operations until compliance is achieved. A violation of EHS laws or failure to comply with the instructions of the relevant EHS authorities could therefore lead to, among other things, a temporary shut down of all, or a portion of, the Enlarged Group's facilities and the imposition of costly compliance procedures. If EHS authorities shut down all, or a portion of, the Enlarged Group's facilities or impose costly compliance measures, the Enlarged Group's business, financial condition, results of operations and prospects would be materially and adversely affected.

The nature of the Enlarged Group's operations creates a risk of accidents and fatalities among its workforce, and the Enlarged Group may be required to pay compensation or suspend operations as a result of such accidents or fatalities, which could have a material adverse effect on the Enlarged Group's business, financial condition, results of operations and prospects.

6.13 The Enlarged Group operates in a competitive industry

The Enlarged Group competes with numerous other participants, including major international oil and gas companies, in the search for and the acquisition of oil and gas assets, and in the marketing of oil and gas. The Enlarged Group's ability to increase resources and create reserves in the future will depend not only on its ability to exploit and develop its present assets but also on its ability to select and acquire suitable producing assets or prospects for exploratory or appraisal drilling. A number of the Enlarged Group's competitors have substantially greater financial and personnel resources. Larger and better capitalised competitors may be in a position to outbid the Enlarged Group for particular licences and such

competitors may be able to secure rigs for drilling operations preferentially to the Enlarged Group.

These competitors may also be better able to withstand sustained periods of unsuccessful drilling. Larger competitors may be able to absorb the burden of any changes in law and regulations more easily than the Enlarged Group, which would adversely affect its competitive position. In addition, many of the Enlarged Group's competitors have been operating for a much longer time and have demonstrated the ability to operate through industry cycles.

The Enlarged Group's competitors have strong market power as a result of several factors, including the diversification and reduction of risk, including geological, price and currency risks; greater financial strength facilitating major capital expenditures; greater integration and the exploitation of economies of scale in technology and organisation; strong technical experience; increased infrastructure and reserves and strong brand recognition. In addition, there is an increased risk of competition should these companies decide to expand their operations. Due to this competitive environment, the Enlarged Group may be unable to acquire attractive, suitable assets, licences or prospects on terms that it considers acceptable. As a result, the Enlarged Group's revenues may be adversely affected, thereby materially and adversely affecting its business, financial condition, results of operations and prospects.

6.14 Macroeconomic risks could result in an adverse impact on the Enlarged Group's financial condition

The extent to which the global economic slowdown currently being experienced may adversely affect the Enlarged Group's major operations and the timing of that impact is uncertain. The links between economic activities in different markets and sectors are complex and depend not only on direct drivers such as the balance of trade and investment between countries, but also on domestic monetary, fiscal and other policy responses to address macroeconomic conditions.

6.15 Speculative nature of oil and gas exploration

Oil and gas exploration operations are inherently speculative with no assurance that any exploration operations will result in any kind of commercial production. The techniques presently available to engineers and geologists to identify the existence and location of hydrocarbons are not infallible. Personal subjective judgment of engineers and/or geologists is involved in the selection of any prospect for drilling. In addition, even when drilling successfully identifies commercial volumes of hydrocarbons, unforeseeable operating problems may render it uneconomic for the Enlarged Group to produce oil from a particular well.

6.16 Uncertainty resulting from the Orphan Well Association v Grant Thornton Ltd. court decision

On January 31, 2019, the Supreme Court of Canada released its decision in Orphan Well Association v Grant Thornton Ltd. (the "**Redwater decision**") overturning earlier decisions of the Alberta Court of Queen's Bench and the Alberta Court of Appeal to hold that receivers and trustees can no longer avoid the Alberta Energy Regulator legislated authority to: (i) impose abandonment orders against licensees, or (ii) require a licensee to pay a security deposit before approving a transfer when such a licensee is subject to formal insolvency proceedings. As a result, any financial resources of a bankrupt licensee in Alberta will first be used to satisfy outstanding abandonment obligations in respect of its unproductive assets. Remaining amounts, if any, will then satisfy the claims of secured creditors in accordance with the Bankruptcy and Insolvency Act (Canada). As a result of the Supreme Court of Canada's decision, the provincial regulation of environmental liabilities and associated decommissioning liability in the oil and gas industry may face substantial changes in the near future. There remains some uncertainty as to what regulatory measures will be developed by the provinces, either on a province-by-province basis or in concert with the federal government to address the Redwater decision. The impact of any such regulatory measures on the business of the Enlarged Group is uncertain at this time.

Additionally, some issuers have been required by lenders to include covenants with respect to the asset recovery obligations in the agreements that govern their borrowings (including credit facilities and other debt obligations) following the Redwater decision. There can be no certainty that the Company's lenders will not require such covenants or other covenants and contractual

terms, which in turn could cause Enlarged Group's risk and/or cost of borrowing to increase, possibly materially.

For further discussion about the effect of decommissioning liabilities, see "General risks associated with the operations and business of the Enlarged Group – The Enlarged Group cannot accurately predict its future decommissioning liabilities".

6.17 **Royalty Regime**

There can be no assurance that the governments in the jurisdictions in which the Company operates and in which the Enlarged Group will operate will not adopt a new royalty regime or modify the existing royalty regimes which may have an impact on the economics of the Company's projects. An increase in royalties would reduce the Company's earnings and could make future capital investments, or its operations, less economic.

6.18 **Risk of crime and corruption**

Oil and gas companies have been known to experience high levels of criminal activity and governmental and business corruption. They may be particular targets of criminal or terrorist actions. Criminal, corrupt or terrorist action against the Enlarged Group and its directly or indirectly held assets or facilities could have a material adverse impact on the Enlarged Group's business, results of operations or financial condition. In addition, the fear of criminal or terrorist actions against the Enlarged Group could have an adverse effect on the ability of the Enlarged Group to adequately staff and/or manage its operations or could substantially increase the costs of doing so.

The Company is not aware of any current or threatened investigations relating to or any adverse findings against the Enlarged Group or any of its directors, officers, employees or joint venture partners. If any such investigations are made and substantiated in future against the Enlarged Group, its directors, officers, employees or potentially its joint venture partners, or such persons are found to be involved in corruption or other illegal activity, this could result in criminal or civil penalties, including substantial monetary fines, against the Enlarged Group, its directors, officers or employees. Any such findings in the future could damage the Enlarged Group's reputation and its ability to do business and could adversely affect its financial condition and results of operations. Furthermore, alleged or actual involvement in corrupt practises or other illegal activities by any joint venture partners of the Enlarged Group, or others with whom the Enlarged Group directly or indirectly conducts business, could also damage the Enlarged Group's reputation and business and adversely affect the Enlarged Group's financial condition, results of operations and prospects.

6.19 **The Enlarged Group's tax liability could increase substantially as a result of changes in, or new interpretations of, tax laws in Canada or the United Kingdom**

The Enlarged Group is subject to taxation in Canada and the United Kingdom where it is faced with increasingly complex tax laws. The amount of tax the Enlarged Group pays could increase substantially as a result of changes in, or new interpretations of, these laws, which could have a material adverse effect on its liquidity and results of operations. During periods of high profitability in the oil and gas industry, there are often calls for increased or windfall taxes on oil and gas revenue. Taxes have increased or been imposed in the past and may increase or be imposed again in the future. Levels of taxation relief may also decrease or be no longer available to the Enlarged Group due to changes in, or new interpretations of, tax laws. In addition, taxing authorities could review and question the Enlarged Group's tax returns leading to additional taxes and penalties which could be material. The tax treatment of decommissioning expenditure (where relevant) could also have a material impact on the economics of the Enlarged Group's assets.

It is possible, given the current political environment, should the United Kingdom Government allow a Scottish Independence Referendum to take place, that Scotland may vote to become independent from the remainder of the United Kingdom. To the extent Scotland became an independent country, the details of any changes are impossible to predict with certainty at present and will depend on post-referendum negotiations and agreements between the Scottish Government and other organisations at UK and international level. Scottish independence could result in changes, *inter alia*, in the monetary system, currency, taxation, regulatory and legal framework. Some possible outcomes of independence could have an

adverse effect on the Enlarged Group's business, financial condition and results of operations in the future.

7 RISKS RELATING TO INVESTMENT IN THE ORDINARY SHARES

7.1 Risk attaching to the market in Ordinary Shares

The Company's entire issued share capital is admitted to trading on AIM but there can be no assurance that an active or liquid trading market for the Ordinary Shares will develop or, if developed, that it will be maintained. AIM is a market designed primarily for emerging or smaller growing companies which carry a higher than normal financial risk and tend to experience lower levels of liquidity than larger companies. Accordingly, AIM may not provide the liquidity normally associated with the Official List or some other stock exchanges. The Ordinary Shares may therefore be difficult to sell compared to the shares of companies listed on the Official List and the share price may be subject to greater fluctuations than might otherwise be the case. An investment in shares traded on AIM carries a higher risk than those listed on the Official List.

The Company is aiming to achieve capital growth in addition to making returns to Shareholders and therefore, Ordinary Shares may not be suitable as a short-term investment. Consequently, the share price may be subject to greater fluctuation on small volumes of shares traded, and thus the Ordinary Shares may be difficult to sell at a particular price. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. There can be no guarantee that the value of an investment in the Company will increase. Investors may therefore realise less than, or lose all of, their original investment.

The share prices of publicly quoted companies can be highly volatile and shareholdings illiquid. The price at which the Ordinary Shares are quoted and the price which investors may realise for their Ordinary Shares may be influenced by a large number of factors, some of which are general or market specific, others which are sector specific and others which are specific to the Enlarged Group and its operations. These factors include, without limitation; (i) the performance of the Company and the overall stock market; (ii) large purchases or sales of Ordinary Shares by other investors; (iii) results of exploration, development and appraisal programmes and production operations; (iv) changes in analysts' recommendations and any failure by the Enlarged Group to meet the expectations of the research analysts; (v) changes in legislation or regulations and changes in general economic, political or regulatory conditions; and (vi) other factors which are outside of the control of the Company.

7.2 AIM and the Toronto Stock Exchange

Application will be made for the Ordinary Shares to be admitted to AIM, a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. An investment in shares quoted on AIM may carry a higher risk than an investment in shares quoted on the Official List. AIM has been in existence since June 1995 but its future success, and liquidity in the market for the Company's securities, cannot be guaranteed.

Following completion of the Toscana Acquisition, the Enlarged Group plans to make an application in the future to list the Ordinary Shares on the facilities of the Toronto Stock Exchange or the TSX Venture Exchange. There can be no certainty that the Enlarged Group will meet all the requirements of listing or that such requirements to listing can be attained within a reasonable amount of time and the failure to list the Ordinary Shares on either the Toronto Stock Exchange or the TSX Venture Exchange could adversely affect the financial condition of the Enlarged Group or the value of the Ordinary Shares.

7.3 Lack of liquidity in Ordinary Shares

Although the Company will apply for the Ordinary Shares to be admitted to trading on AIM, no assurance can be given that at any time after Admission a liquid market for the Ordinary Shares will develop. In the future, Shareholders who need to dispose of their Ordinary Shares may be forced to do so at prices that do not fully reflect the net asset value per Ordinary Share.

7.4 The market price of Ordinary Shares could decline as a result of future sales of Ordinary Shares by Directors and others

The Company cannot predict what effect, if any, future sales of Ordinary Shares will have on the market price of the Ordinary Shares. If the existing Shareholders were to sell, or the Company were to issue and sell, a substantial number of Ordinary Shares in the public market, the market price of the Ordinary Shares could be adversely affected. Sales by the existing Shareholders could also make it more difficult for the Company to sell equity securities in the future at a time and price that it deems appropriate. The sale of a significant amount of Ordinary Shares in the public market, or the perception that such sales may occur, could materially affect the market price of the Ordinary Shares and could also impede the Company's ability to raise capital through the issue of equity securities in the future.

7.5 The magnitude and timing of dividend payments is uncertain

There can be no assurance as to the level of future dividends. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Directors and will depend on, among other things, the Group's results of operations and financial condition, its future business prospects, its ability to repatriate cash from its subsidiaries, any applicable legal or contractual restrictions and availability of profits.

It should be noted that i3 can only pay a dividend out of distributable profits. Currently the Company has retained losses, which prevent it from paying a dividend. Following Admission, the Company intends to effect a reduction of share capital to create distributable reserves. A reduction of share capital will require approval by Shareholders and the UK Courts. This process will take several months and there can be no assurance that approval will be obtained from both Shareholders and the UK Courts to enable the reduction of share capital to take place. If the reduction of share capital is not effected, it is unlikely that a dividend will be capable of being paid by i3 in the near to medium term.

7.6 Pre-emption rights may be unavailable to non-UK holders of Ordinary Shares

If new Ordinary Shares are issued for cash, existing holders of Ordinary Shares are entitled to pre-emption rights in respect of those Ordinary Shares unless such rights are waived by a Shareholders' resolution. If the Company allots Ordinary Shares for cash in the future, even in circumstances where pre-emption rights are not waived, holders of the Ordinary Shares outside the UK may not be able to exercise their pre-emption rights for Ordinary Shares unless the Company decides to comply with applicable local laws and regulations. The Company intends to evaluate at the time of any offering the costs and potential liabilities associated with any such compliance. At such time, the Company also intends to evaluate the benefits of enabling the exercise by non-UK holders of Ordinary Shares of the pre-emption rights for their Ordinary Shares and any other factors the Company considers appropriate at the time. On the basis of this evaluation, the Company will make a decision as to how to proceed and whether it should take any steps necessary to extend the offering into the other jurisdictions, including complying with local law requirements. No assurance can be given that any steps will be taken in any jurisdiction to enable the exercise of such pre-emption rights.

7.7 Dilution

Shareholders not participating in future offerings may be diluted and pre-emptive rights may not be available to Shareholders, including, but not limited to Shareholders resident in jurisdictions with restrictions having the effect that they will not be granted subscription rights in connection with, or be able to subscribe for new shares in, such offerings. It is proposed that, subject to Shareholder approval, statutory pre-emptive rights will be waived up to the stated amounts in Resolution 3 to be voted on at the General Meeting and the UK Group has issued various warrants and share options, as detailed in paragraph 3 of Part IX of this Admission Document. It may in the future issue warrants and/or further options to subscribe for Ordinary Shares, including (without limitation) to certain advisers, employees, directors, senior management and consultants. The exercise of such warrants and/or options would result in dilution of the shareholdings of other investors.

7.8 **Forward Looking Statements**

Certain statements within this Admission Document constitute forward looking statements. Such forward looking statements involve risks and other factors which may cause the actual results, achievements or performance of the Enlarged Group to be materially different from any future results, achievements or performance expressed or implied by such forward looking statements. Such risks and factors include, without limitation, general economic and business conditions, changes in government regulation, competition, changes in development plans and other risks described in this Part III. There can be no assurance that the results and events contemplated by the forward looking statements in this document will, in fact, occur. The Company will not undertake any obligation to release publicly any revisions to these forward looking statements to reflect events, circumstances or unanticipated events occurring after the date of this document, except as required by law or by regulatory authority.

The risks noted above do not necessarily comprise all of the risks potentially faced by the Enlarged Group and are not intended to be presented in any assumed order of priority. In common with other companies operating in the oil and gas industry sector, the Enlarged Group's activities involve a high degree of risk. An investment in the Company is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which may result. A prospective investor should consider with care whether an investment in the Company is suitable for him in the light of his personal circumstances and the financial resources available to him. Investment in the Company should not be regarded as short-term in nature. There can be no guarantee that any appreciation in the value of the Company's investments will occur or that the investment objectives of the Company will be achieved. Investors may not get back the full or any amount initially invested.

Although the Directors will seek to minimise the impact of the foregoing risk factors, investment in the Enlarged Group should only be made by investors able to sustain a total loss of their investment.

PART IV

PRO FORMA STATEMENT OF NET ASSETS

UNAUDITED PROFORMA CONSOLIDATED NET ASSET STATEMENT FOR ENLARGED GROUP

Set out below is an unaudited pro forma statement of net assets as at 31 December 2019 and the unaudited pro forma income statement for the 12 months ended 31 December 2019 (together the "Unaudited Pro Forma Financial Information") of i3 Energy Plc ("the Company") and the Gain Assets (together "the Enlarged Group"). The Unaudited Pro Forma Financial Information of the Enlarged Group has been prepared on the basis set out in the notes below to illustrate the impact of the Placing and proposed asset purchase as if it had taken place on 1 January 2019.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent the Enlarged Group's actual financial position or results. Such information may not, therefore, give a true picture of the Enlarged Group's financial position or results nor is it indicative of the results that may or may not be expected to be achieved in the future. The Unaudited Pro Forma Financial Information is based on the unaudited net assets of the Enlarged Group's as at 31 December 2019 as shown in Part V (*Historical Financial Information*). No adjustments have been made to take account of trading, expenditure or other movements subsequent to 31 December 2019, being the date of the last published balance sheet of the Company.

The Unaudited Pro Forma Financial Information does not constitute financial statements within the meaning of section 434 of the Companies Act. Investors should read the whole of this Admission Document and not rely solely on the summarised financial information contained in this Part.

UNAUDITED PRO FORMA STATEMENT OF NET ASSETS AT 31 DECEMBER 2019

	The Company	Gain Assets		Issue of	Unaudited
	Net assets	Net assets		Placing	pro forma
	as at	as at	Acquisition	Shares	adjusted
	31 December 2019	31 December	accounting	net of costs	aggregated
	(Note 1)	2019	(Note 3)	(Note 4)	net assets
	£'000	£'000	£'000	£'000	of the
					Enlarged
					Group on
					admission
					£'000
Assets					
Non-current assets					
Exploration and evaluation assets	46,528	–	–	–	46,528
Property, plant and equipment	8	–	37,500	–	37,508
Non-current assets	46,536	–	37,500	–	84,036
Current assets					
Cash and cash equivalents	19,069	–	(20,380)	28,500	27,189
Trade and other receivables	290	–	–	–	290
Prepayments	16	–	–	–	16
Current assets	19,375	–	(20,380)	28,500	27,495
Total assets	65,911	–	17,120	28,500	111,531
Liabilities					
Current liabilities					
Trade and other payables	18,205	–	980	–	19,185
Total current liabilities	18,205	–	980	–	19,185
Non-current liabilities					
Non-current accounts payable	3,000	–	–	–	3,000
Loan notes	13,046	–	–	–	13,046
Asset retirement obligation	–	–	17,120	–	17,120
Total non-current liabilities	16,046	–	17,120	–	33,166
Total liabilities	34,251	–	18,100	–	52,351
Total assets less total liabilities	31,660	–	(980)	28,500	59,180

Notes

The pro forma statement of net assets has been prepared on the following basis:

1. The net assets of the Company as at 31 December 2019 have been extracted without adjustment from the Audited Consolidated Financial Statements for the year ended 31 December 2019 included in Part Section of this document.
2. No balances have been presented as the Company is acquiring the legal title to the Gain Assets rather than the shares of Gain Energy Ltd.
3. A pro forma adjustment has been made to reflect the initial accounting for the acquisition of the Gain Assets by the Company, being the elimination of the investment in the Gain Assets against the non-monetary assets acquired and recognition of the Asset retirement obligation. The Company will need to determine the fair value of the net assets acquired pursuant to the proposed acquisition within 12 months of the acquisition date in accordance with IFRS 3. This process, known as a Purchase Price Allocation exercise may result in an adjustment of the numbers reflected, which may be material. The Purchase Price Allocation process will require a valuation of identifiable intangible assets acquired. The approach adopted by the Directors of the Company is permissible and appropriate.
4. An adjustment has been made to reflect the proceeds of a placing of 600,000,000 Ordinary Shares of the Company at an issue price of £0.05 per Ordinary Share net of an adjustment to reflect the payment in cash of finance costs estimated at approximately £1,500,000 and transactions costs estimated at approximately £980,000,
5. No adjustments have been made to the historical results of any entities within the Enlarged Group to reflect the trading or other transactions.
6. As at 10 August 2020 (the latest practical date prior to the publication of the Admission Document) the exchange rate between the CAD (\$) and GBP (£) was 1.7451.
7. The pro forma statement of net assets does not constitute financial statements.

**UNAUDITED PRO FORMA INCOME STATEMENT FOR THE UNAUDITED PERIOD(S) ENDED
31 DECEMBER 2019**

	The Company Income statement for the 12 months ended 31 December 2019 (Note 1) £'000	Gain Assets Income statement for the 12 months ended 31 December 2019 (Note 2) £'000	Placing transaction costs (Note 3) £'000	Unaudited pro forma adjusted aggregated income statement of the Enlarged Group on admission £'000
Revenue	–	48,323	–	48,323
Net royalties	–	(2,339)	–	(2,339)
Net revenue	–	45,984	–	45,984
Operating expenses				
Operating costs	–	(24,900)	–	(24,900)
Depletion	–	(18,334)	–	(18,334)
Transportation costs	–	(3,370)	–	(3,370)
Operating income	–	(620)	–	(620)
Administration expenses	(7,229)	–	(3,833)	(11,062)
Operating profit/(loss)	(7,229)	(620)	(3,833)	(11,682)
Finance costs	(3,622)	–	–	(3,622)
Profit/(loss) before tax	(10,851)	(620)	(3,833)	(15,304)
Tax	–	–	–	–
Profit/(loss) for the year attributable to equity owners	(10,851)	(620)	(3,833)	(15,304)
Other comprehensive income Items that may be subsequently reclassified to profit or loss:				
Translation of foreign operations	–	–	–	–
Total comprehensive profit/(loss)	(10,851)	(620)	(3,833)	(15,304)

Notes

The pro forma statement of net assets has been prepared on the following basis:

1. The income statement of the Company for the year ending 31 December 2019 has been extracted without adjustment from the Audited Consolidated Financial Statements for the year ended 31 December 2019 included in Part Section of this document.
2. The unaudited operating statements of the Gain Assets for the year ending 31 December 2019 has been extracted without adjustment from the Special Purpose Historic Financial Information to which is set out in Part of this document and converted to GBP at the average rate for the year of CAD \$1.6945 to £1.
3. Administrative expenses have been adjusted by £2,853,127 to reflect estimates of the costs to manage the acquired assets and £980,000 to reflect estimated transaction costs.
4. No adjustments have been made to the historical results of any entities within the Enlarged Group to reflect the trading or other transactions.

NOTES TO THE PROFORMA CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

As at and for the year ended 31 December 2019.

1) BASIS OF PREPARATION

The following unaudited pro forma condensed consolidated financial statements (the “Pro Forma”) was prepared using the acquisition method of accounting under existing International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”), and give effect to the proposed transaction between i3 Energy PLC. (“i3”) and Gain Energy Ltd. (“Gain Energy”).

This Pro Forma is derived from information in the financial statements of i3 and the Asset Group Statement of Income before Taxation of Gain Energy using the same accounting policies as described in i3’s annual financial statements for the period ending 31 December 2019, together with other information available to the Company. The Pro Forma has been compiled from the information derived from and should be read in conjunction with:

- i3’s audited financial statements as at 31 December 2019 and for the year then ended;
- Gain Energy Asset Group Statement of Income before Taxation as at and for the year ended 31 December 2019.

The Pro Forma has been prepared for inclusion in the Filing Statement of i3 dated 11 August 2020 in connection with the Arrangement (as defined below in Note 2 – Proposed Transaction).

The Pro Forma has been prepared for illustrative purposes only and may not be indicative of the combined financial position and results of operations that would have occurred if the Arrangement (as defined below) had been in effect at the dates indicated or of results which may be obtained in the future.

Completion of the Arrangement is subject to a number of conditions including, but not limited to, approval by the shareholders of i3.

SIGNIFICANT JUDGMENTS

The preparation of this Pro Forma requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from estimates.

The accounting for business combinations requires management to make certain estimates and assumptions on the type of business combination that is being entered into, in particular to the identities of the acquirer and the acquiree and the extent to which one or more of the parties forming the business combination are a business as defined by IFRS in treating the business combination as a reverse recapitalization and asset acquisition or a reverse takeover.

In reviewing the relevant information, the Company has concluded that the accounting treatment determines this acquisition as a business combination, and the Company has utilized these accounting principles in determining this Pro Forma. A different conclusion about the business combination could materially impact the accounting.

2) PROPOSED TRANSACTION

On 3 July 2020 (the “PSA Date”), i3 entered a binding purchase and sale agreement with Gain to acquire 100% of its producing and non-producing petroleum assets in the Canadian provinces of Alberta and Saskatchewan. Since the announcement of 6 July 2020, the Company has agreed to sell, immediately following completion of the Gain Acquisition, those petroleum and infrastructure assets currently held by Gain which are located in Saskatchewan, to Harvard for CAD\$45 million (c.US\$33 million) (the “Harvard Sale”), conditional only on completion of the Gain Acquisition. In Q4 of 2019, the Assets produced on average 9,509 boepd (40% liquids) to which Gain’s independent reserve evaluator had attributed PDP reserves of 21.5 MMboe with a before-tax NPV10 of ~US\$118 million, and 2P reserves of 61.3 MMboe with a before-tax NPV10 of ~US\$307 million. In 2019, the Assets produced ~US\$22 million in field EBITDA (revenues minus royalties, opex and transportation) from 242 Gain-operated wells at an average working interest of 78% and 1,044 non-operated wells

at an average working interest of 14%, and include 172k net developed acres and 186k net undeveloped acres of land.

Under the PSA, i3 will be acquiring the Assets free of all encumbrances (apart from industry standard or acceptable permitted encumbrances). The cash consideration to be paid to Gain under the PSA is C\$80 million (~US\$58.8 million) (the "Consideration"), of which i3 will be funding C\$35 million for the Gain Assets in Alberta, with the remainder of the cash consideration being funded by another party that will be acquiring Gain's Saskatchewan assets. In addition to normal interim period adjustments between the transaction effective date of 1 May 2020 and completion, the Consideration will be adjusted by an amount of interest accruing at Canadian Prime + 2% (totalling approximately 4.45%), and from 29 June 2020 until completion, the Consideration will be adjusted by £291k (~US\$368k) per calendar month accruing to compensate Gain for its management of its assets.

3) PRO FORMA ASSUMPTIONS

THE ARRANGEMENT

The Arrangement is expected to be accounted for as a business combination as the management and shareholders of i3 will have operating control over the combined assets upon consummation of the Arrangement. As a result, the consideration determined is for the acquired assets including the existing decommissioning obligation.

Purchase Price Equation

The values of net assets acquired and consideration paid for 100% ownership of Assets within the Gain Energy Asset Group:

	£000s
Consideration effectively transferred	20,380
Consideration allocated as follows: Property and Equipment	37,500
Decommissioning obligations	(17,120)
	<u>20,380</u>

The pro forma purchase price allocation is subject to change based on completion of management's assessment of the fair values of the assets and liabilities acquired. Due to the timing of the Acquisition and the fact that the Acquisition has not yet closed, the Company has not completed the final valuation necessary to determine the acquisition date fair market value of the Assets within the Gain Energy Asset Group. The Pro Forma includes a preliminary allocation of the purchase price to reflect the estimated fair value of those assets and liabilities. Upon completion of the Acquisition, or as more information becomes available, the Company will complete a more detailed review of the preliminary allocation of the purchase price to reflect the acquisition date fair value of those assets and liabilities. As a result of that review, more information could become available that, when analyzed, could have a material impact on the pro forma financial statements.

Financing

i3 intends to issue shares in the amount of £30,000,000 and has entered into an Agency Agreement with Brokers to undertake this. The Brokers will be entitled to receive from i3 a cash commission equal to 5.0% of the gross proceeds of the Financing (subject to any agreed carve-outs) upon the release to i3 of the escrowed funds on the closing date.

4) PRO FORMA ADJUSTMENTS

The Pro Forma has been prepared as if the transaction occurred on 31 December 2019 in respect of the pro forma consolidated combined statement of financial position and on 1 January 2019 with respect to the pro forma consolidated combined statement of comprehensive income for the year ended 31 December 2019. The following adjustments have been made at arriving at the pro forma position:

- a) i3 has entered into an Agency Agreement with the Brokers that provides for the brokered placement offering of Shares on a best efforts agency basis at a price which clears in the market (assumed for presentation to be £0.05 per Share) for aggregate proceeds assumed to be £30,000,000.

- b) The Brokers will be entitled to receive from i3 a cash commission equal to 5.0% of the gross proceeds of the Financing (subject to any agreed carve-outs) upon the release to i3 of the escrowed funds on the closing date. It is expected that based on a subscription of £30,000,000 a commission of £1,500,000 will be payable to the Brokers, but may be reduced subject to any agreed carve-outs. This assumed commission is as a direct result of issuing shares and is treated as a reduction in share capital for accounting purposes.
- c) i3 has indicated that it will incur approximately £980,000 of costs in connection with the Arrangement that will be paid and expensed by i3. These amounts have been reflected in the pro forma income statements. The statement of financial position includes this amount in accounts payable at 31 December 2019.
- d) The provisional purchase price allocation (see note 3 – Proforma assumptions), and the fair value adjustments have been reflected in the Pro Forma as described in the purchase price equation above.
- e) The pro forma cash adjustment in the statement of financial position represents the excess of shares issued less share issue costs over the purchase price of £20,380,500.
- f) Administrative expenses have been adjusted to reflect estimates of the costs to manage the acquired assets. i3 has entered into a management agreement with Toscana Energy Income Corporation to manage the assets. The pro forma adjustments reflect the estimated cost of this agreement.

5) PRO FORMA SHARE CAPITAL AND EARNINGS PER SHARE

The following is a table showing the pro forma movements in share capital and the calculation of pro forma earnings per share:

	Shares 000s	Called up Share Capital £000s	Premium Share Capital £000s	Share Issuance Costs £000s
As at 31 December 2019				
Share capital, i3 Energy PLC prior to Arrangement Agreement	107,719,400	11	33,965	(4,393)
Issuance of 600,000,000 shares at £0.05	600,000,000	60	29,940	–
Less share issue costs (see note 4.b)	–	–	–	(1,500)
Pro forma Share capital	707,719,400	14	63,962	(5,893)
Pro forma weighted average number of shares – basic	680,869,438			
Pro forma net loss attributable to i3		(15,304,124)		
Weighted average shares outstanding	80,869,438			
Pro forma shares issued for Gain Energy acquisition	600,000,000			
Pro forma weighted average shares outstanding, basic	680,869,438			
Basic pro forma net loss per share		(0.02)		
Diluted pro forma net loss per share		(0.02)		

6) INCOME TAXES

The pro forma effective tax rate for 31 December 2019 is nil. There is no tax effect of the pro forma adjustments, as i3 has a deferred tax asset which has not been recognised due to uncertainty as to whether the asset will be realised.

PART V

HISTORICAL FINANCIAL INFORMATION

SPECIAL PURPOSE FINANCIAL INFORMATION

ACCOUNTANTS REPORT ON THE UNAUDITED SPECIAL PUPOSE FINANCIAL INFORMATION OF THE GAIN ENERGY ASSET

PKF Littlejohn LLP



The Directors
i3 Energy Plc
11 Abercrombie Court
Prospect Road
Arnhall Business Park
Westhill
AB32 6FE

The Directors
WH Ireland Limited
24 Martin Lane
London
EC4R 0DR

11 August 2020

Dear Sirs

Proposed acquisition of certain oil and gas assets owned by Gain Energy Ltd (the “Assets”)

INTRODUCTION

We report on the unaudited special purpose financial tables set out in Part V (the “Special Purpose Financial Information”) relating to certain oil and gas assets owned by Gain Energy Ltd (the “Assets”). This information has been prepared for inclusion in the AIM admission document dated 11 August 2020 (the Admission Document) relating to the proposed admission to AIM of i3 Energy Plc (the “Company”). This report is given for the purpose of complying with paragraph (a) of Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with that paragraph and for no other purpose.

RESPONSIBILITIES

It is the responsibility solely of the Directors of the Company to prepare the Special Purpose Financial Information.

It is our responsibility to form an opinion as to the proper compilation of the Special Purpose Financial Information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any Special Purpose Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

REVIEW OF SPECIAL PURPOSE FINANCIAL INFORMATION

We have reviewed the Special Purpose Financial Information of the Assets which comprises a net income statement and statement of operational cash flows for the 3 years ended 31 December 2019 and other explanatory information. The directors of the Company are responsible for the preparation and presentation of the Special Purpose Financial Information in accordance with the basis of preparation and presentation set out in Note 1 to the Special Purpose Financial Information.

Our responsibility is to express a conclusion on the Special Purpose Financial Information Tables based on our review. Our review involved review of operational statements provided to the Company by Gain Energy Limited, making enquiries of the Directors, and performing detailed analytical review procedures.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Special Purpose Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Based on our review, nothing has come to our attention that causes us to believe that the Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation and presentation set out in Note 1 to the Special Purpose Financial Information Tables.

DECLARATION

For the purposes of guidance issued by the London Stock Exchange we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included within the Admission Document in compliance with guidance issued by the London Stock Exchange.

Yours faithfully

PKF Littlejohn LLP

UNAUDITED SPECIAL PUPOSE FINANCIAL INFORMATION OF THE GAIN ENERGY ASSET

SPECIAL PURPOSE STATEMENT OF INCOME BEFORE TAXATION FOR CERTAIN OIL AND GAS ASSETS OWNED BY GAIN ENERGY LTD

		Year Ended 31 December 2019 (unaudited) £	Year Ended 31 December 2018 (unaudited) £	Year Ended 31 December 2017 (unaudited) £
	Notes			
Revenue				
Production Revenue	2	48,323,225	45,635,293	44,449,823
Royalty Revenue		1,245,974	1,366,094	1,460,988
Royalties Expense		(3,585,093)	(3,406,358)	(3,239,419)
Operating Expense		(24,900,109)	(24,041,551)	(22,460,696)
Transportation Expense		(3,370,046)	(2,166,408)	(1,993,598)
Depletion		(18,333,771)	(18,219,144)	(21,191,560)
Total expenses		<u>(50,189,019)</u>	<u>(47,833,461)</u>	<u>(48,885,273)</u>
Net Income Before Taxation		<u>(619,820)</u>	<u>(832,074)</u>	<u>(2,974,462)</u>

The accompanying notes are an integral part of the Statement of Income before Taxation

SPECIAL PURPOSE STATEMENT OF CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL AND TAXATION FOR CERTAIN OIL AND GAS ASSETS OWNED BY GAIN ENERGY LTD

	Year Ended 31 December 2019 (unaudited) £	Year Ended 31 December 2018 (unaudited) £	Year Ended 31 December 2017 (unaudited) £
Net Income Before Taxation	(619,820)	(832,074)	(2,974,462)
Depletion	2 18,333,771	18,219,144	21,191,560
Cash flow from operations before changes in working capital and taxation	<u>17,713,951</u>	<u>17,387,070</u>	<u>18,217,098</u>

NOTES TO THE STATEMENT OF INCOME BEFORE TAXATION FOR CERTAIN OIL AND GAS ASSETS OWNED BY GAIN ENERGY LTD

Note 1 - Nature of operations and Basis of Presentation

Gain Energy Asset Group (“the carve-out operations”, “the Asset Group”, “we”, “us”, or “our”), a subset of Gain Energy Ltd, is not a legal entity. The Asset Group is an upstream petroleum producer in Alberta, Canada. This Statement of Income Before Taxation has been prepared from operating lease production statements provided by Gain Energy Ltd on a carve-out basis for the Asset Group and has been prepared using accounting policies consistent with International Financial Reporting Standards as issued by the International Accounting Standards Board. The functional currency of the Asset Group is Canadian Dollars, for presentation purposes all dollar figures have been translated into GBP using the average rate for each year presented.

Cashflows from operations have been calculated as the Net Income before Taxation adjusted for non-cash expenses within the income statement.

Note 2 - Revenue

The Asset Group disaggregates revenue from contracts with customers by product type.

	Year Ended 31 December 2019 (unaudited) £	Year Ended 31 December 2018 (unaudited) £	Year Ended 31 December 2017 (unaudited) £
	Notes		
Oil	21,298,159	12,039,688	6,566,706
Natural Gas	14,311,699	12,945,664	18,514,406
Natural Gas Liquids	10,761,145	18,030,554	17,842,373
Sulfur	3,831	44,474	21,383
Miscellaneous	1,948,391	2,574,913	1,504,955
Revenue	<u>48,323,225</u>	<u>45,635,293</u>	<u>44,449,823</u>

HISTORICAL FINANCIAL INFORMATION OF THE UK GROUP

In accordance with Rule 28 of the AIM Rules, this document does not contain historical financial information on the UK Group, which would otherwise be required under Section 18 of Annex I of the AIM Rules.

This information is available on the Company's website, as follows:

<i>Financial information</i>	<i>Hyperlink</i>
<i>i3's audited results for the year ended 31 December 2017</i>	<i>https://i3.energy/wp-content/uploads/2018/06/i3-Energy-plc-2017-Audited-Annual-Report-1.pdf</i>
<i>i3's audited results for the year ended 31 December 2018</i>	<i>https://i3.energy/wp-content/uploads/2019/06/i3-Energy-plc-2018-Annual-Report.pdf</i>
<i>i3's audited results for the year ended 31 December 2019</i>	<i>https://i3.energy/wp-content/uploads/2020/08/i3-Energy-plc-2019-Annual-Report.pdf</i>

Shareholders or other recipients of this document may request a hard copy of the above information incorporated by reference from the Company at its offices at 2 Riding House Street, London, W1W 7FA or by telephoning +44 (0) 1224 945 980. Such copy will be provided to the requester within 7 days. A hard copy of the information incorporated by reference will not be sent to Shareholders or other recipients of this document unless requested.

PART VI

COMPETENT PERSONS' REPORTS

**EVALUATION OF GAIN ENERGY LTD.
COMPETENT PERSON'S REPORT**

Effective June 30, 2020

1202568

COMPETENT PERSON'S REPORT

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July 17, 2020

Project 1202568

The Directors
i3 Energy North Sea Ltd.
New Kings Court, Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3LG

The Directors
W H Ireland Ltd.
24 Martin Lane
London
EC4R 0DR

Dear Sir/Madam:

**Re: Evaluation of Gain Energy Ltd.
Competent Person's Report (CPR)
Effective June 30, 2020**

GLJ Ltd. has completed an independent reserves assessment and evaluation of the oil and gas properties of Gain Energy Ltd.'s ("Gain Energy") as required by i3 Energy North Sea Ltd. (hereinafter referred to as "the Company") for potential acquisition reporting purposes. The report has been prepared to be included in an appendix (Appendix) to the AIM admission document prepared and published by the Company in accordance the AIM Rules for Companies of the London Stock Exchange (LSE). This CPR was prepared in compliance with the "AIM Note for Mining, Oil and Gas Companies, June 2009", as published by the London Stock Exchange. The effective date of this evaluation is June 30, 2020.

This evaluation has been prepared in accordance with reserves definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook (COGEH), which replaced the standards published by the CIM known as National Policy 2B (CIM NP-2B) in June 2002. The results of this evaluation would be the same or immaterially different under the use of procedures and standards contained in the Petroleum Resources Management System (PRMS) of the Society of Petroleum Engineers (SPE).

In preparation of this report, GLJ has received customary fees associated with the preparation of the reserves evaluation report. Neither GLJ, nor any of its directors, staff or sub-consultants who contributed to the report has any interest in the Company, its subsidiaries, or any of its assets or securities (including the common shares). Our fees are not linked to the admission of the shares to trading on the Exchange or the value of the Company.

Additionally, GLJ confirms that we:

- are professionally qualified and members in good standing of the Association of Professional Engineers and Geoscientists of Alberta (APEGA);
- have at least 5 years of experience directly relevant to the estimation, assessment and evaluation of oil and gas reserves and resources;
- are independent of the Company, its directors, senior management and advisers;
- will receive a fee for the preparation of the report in accordance with normal professional consulting practice. This fee is not contingent on the admission of the Company to AIM, or value of the Company and we will receive no other benefit;
- are not a sole practitioner;
- have the relevant and appropriate qualifications, experience and technical knowledge to appraise professionally and independently the oil and gas assets owned by the Company and/or Gain Energy;
- consider that the scope of the report is appropriate and includes and discloses all information required to be included therein and was prepared in accordance with the Guidance Note for Mining, Oil & Gas Companies issued by London Stock Exchange plc in June 2009.

It was GLJ's primary mandate in this evaluation to provide an independent evaluation of the oil and gas reserves of the Gain Energy in aggregate. Accordingly, it may not be appropriate to extract individual property or entity estimates for other purposes. Our engagement letter notes these limitations on the use of this report.

The reserves estimates included in this CPR are based on production information publicly available and provided by the Company, as of June 30, 2020. The Company, through Gain Energy, provided GLJ with certain geological, geophysical, economic (including lease operating statements and capital cost estimates) and engineering information used in evaluating the Gain Energy assets. In the preparation of reserves estimates for the Company, a site visit was not deemed to be necessary; as such, no site visit was conducted by GLJ. The Company has confirmed that to their knowledge, no material change of circumstances or information would have a significant impact on the reserves contained herein has occurred between the effective date of the report and July 17, 2020.

All values presented in this report are in Canadian dollars.

It is trusted that this evaluation meets your current requirements. Should you have any questions regarding this analysis, please contact the undersigned.

Yours very truly,

GLJ LTD.



Tracy K. Bellingham, P. Eng.
Manager, Engineering


INDEPENDENT PETROLEUM CONSULTANTS' CONSENT

The undersigned firm of Independent Petroleum Consultants of Calgary, Alberta, Canada has prepared an independent evaluation of the **Gain Energy Ltd.** (the "Company") Canadian oil and gas properties on behalf of i3 Energy North Sea Ltd. and hereby gives consent to the use of its name and to the said estimates. The effective date of the evaluation is **June 30, 2020**.

In the course of the evaluation, the Company provided GLJ Ltd. personnel with basic information which included land data, well information, geological information, reservoir studies, estimates of on-stream dates, contract information, current hydrocarbon product prices, operating cost data, capital budget forecasts, financial data and future operating plans. Other engineering, geological or economic data required to conduct the evaluation and upon which this report is based, were obtained from public records, other operators and from GLJ Ltd. nonconfidential files. The Company has provided a representation letter confirming that all information provided to GLJ Ltd. is correct and complete to the best of its knowledge. Procedures recommended in the Canadian Oil and Gas Evaluation (COGE) Handbook to verify certain interests and financial information were applied in this evaluation. In applying these procedures and tests, nothing came to GLJ Ltd.'s attention that would suggest that information provided by the Company was not complete and accurate. GLJ Ltd. reserves the right to review all calculations referred to or included in this report and to revise the estimates in light of erroneous data supplied or information existing but not made available which becomes known subsequent to the preparation of this report.

The accuracy of any reserves and production estimate is a function of the quality and quantity of available data and of engineering interpretation and judgment. While reserves and production estimates presented herein are considered reasonable, the estimates should be accepted with the understanding that reservoir performance subsequent to the date of the estimate may justify revision, either upward or downward.

Revenue projections presented in this report are based in part on forecasts of market prices, currency exchange rates, inflation, market demand and government policy which are subject to many uncertainties and may, in future, differ materially from the forecasts utilized herein. Present values of revenues documented in this report do not necessarily represent the fair market value of the reserves evaluated herein.

<p>PERMIT TO PRACTICE GLJ LTD.</p>

<p>Signature: _____</p>
<p>Date: _____ July 17, 2020 _____</p>
<p>PERMIT NUMBER: P 2066 The Association of Professional Engineers and Geoscientists of Alberta</p>



INTRODUCTION

GLJ was commissioned by i3 Energy North Sea Ltd. (the “Company”) to prepare an independent evaluation of Gain Energy Ltd.’s oil and gas reserves effective June 30, 2020 for potential acquisition purposes. The locations of the reserves properties are indicated on the attached index map.

The evaluation was initiated in June 2020 and completed by July 2020. Estimates of reserves and projections of production were generally prepared using well information and production data available from public sources to approximately May 31, 2020. The Company provided land, accounting data and other technical information not available in the public domain to approximately June 30, 2020. In certain instances, the Company also provided recent engineering, geological and other information up to June 30, 2020. The Company has confirmed that, to the best of its knowledge, all information provided to GLJ is correct and complete as of the effective date.

This evaluation has been prepared in accordance with procedures and standards contained in the Canadian Oil and Gas Evaluation (COGE) Handbook, which replaced the standards published by the CIM known as National Policy 2B (CIM NP-2B) in June 2002. The reserves definitions used in preparing this report (included herein under “Reserves Definitions”) are those contained in the COGE Handbook and the Canadian Securities Administrators National Instrument 51-101 (NI 51-101). The results of this evaluation would be the same or immaterially different under the use of procedures and standards contained in the Petroleum Resources Management System (PRMS) of the Society of Petroleum Engineers (SPE).

The evaluation was conducted on the basis of the Sproule June 30, 2020 Price Forecast which is summarized in the Product Price and Market Forecasts section of this report.

Tables summarizing production, royalties, costs, revenue projections, reserves and present value estimates for various reserves categories for individual properties and the Company total are provided in the tabbed sections of this Summary Report.

The Evaluation Procedure section outlines general procedures used in preparing this evaluation. The individual property reports, provided under separate cover, provide additional evaluation details. The following summarizes evaluation matters that have been included/excluded in cash flow projections:

- processing income has been included as “Other Income”,

- the effect on projected revenues of the Gain Energy's financial hedging activity has not been included,
- provisions for the abandonment and reclamation, to a standard imposed by applicable government or regulatory authorities, of all of Gain Energy's existing wells, future reserves wells and existing facilities and pipelines, have been included (this includes all active and inactive entities within active and inactive assets),
- general and administrative (G&A) costs and overhead recovery have not been included,
- undeveloped land values have not been included,
- carbon taxes associated with greenhouse gas emissions as part of the Canadian Federal Greenhouse Gas Pollution Pricing Act, Alberta Climate Change and Emissions Management Act's Technology Innovation and Emissions Reduction Regulation, British Columbia Carbon Tax Act and Saskatchewan Oil and Gas Emission Management Regulations, have been included. Carbon taxes have been included as operating costs based on historical carbon tax payments and forecast carbon tax estimates provided by the Company.

The preparation of an evaluation requires the use of judgment in applying the standards and definitions contained in the COGE Handbook and NI 51-101. GLJ has applied those standards and definitions based on its experience and knowledge of industry practice. While GLJ believes that the reserves data set forth in this evaluation have, in all material respects, been determined and are in accordance with the COGE Handbook, because the application of the standards and definitions contained in the COGE Handbook and NI 51-101 require the use of judgment there is no assurance that the applicable securities regulator(s) will not take a different view as to some of the determinations in the evaluation.

GENERAL

The Company engaged GLJ Ltd. to prepare an evaluation of Gain Energy's Canadian oil and gas assets and to complete a Competent Person's Report for their admission to the AIM market of the London Stock Exchange Plc. Gain Energy assets include approximately 30 oil and gas properties located western Canada, namely the provinces of Alberta, British Columbia and Saskatchewan as illustrated on Map 1.

Gain holds various working and royalty interests in these properties as detailed in their individual property reports. Oil and gas production are from various formations within the Western Canadian Sedimentary Basin. As of June 30, 2020, Gain Energy company interest production is approximately 10 MBoed per day. A summary of each of the significant assets which together comprise in excess of 70 percent of reserves and value is included.

Elmworth

The Elmworth property is located in Townships 064 to 069, Ranges 03 to 13W6M, approximately 25 miles southwest of Grande Prairie, Alberta. Property interest lands are illustrated on Map 2.

The primary hydrocarbon target on the Elmworth lands is oil from the Upper Cretaceous Dunvegan Formation. Currently, twenty-nine oil wells are on production and total gross calendar-day production rate from the property was approximately 300 bopd and 4 MMcfd of solution gas as of June 30, 2020.

There has been no new drilling since 2017 in the Elmworth property however, forecast development includes horizontal development of the Dunvegan oil and Cardium oil formations based on existing production in the area, geological well control and prolific Cardium production in proximity of Elmworth lands in Township 068, Range 08W6M.

Open Creek

The Open Creek property is located in Townships 041 through 042, Ranges 5 through 6 W5M, approximately 40 miles northwest of Red Deer, Alberta. Property interest lands are illustrated on Map 3.

The property consists of wells producing from the Cretaceous Age Belly River, Edmonton, Viking, Cardium, Glauconitic and Ellerslie formations and from the Jurassic Age Rock Creek and Nordegg formations. Most recently, Gain has been targeting the Glauconitic Formation utilizing horizontal drilling and multi-stage fracture completion technologies.

The property has been on production since 1981 and currently has 6 producing oil wells and 39 producing non-associated gas wells, respectively. As of the analysis date, total property oil production from all wells was 8 bopd gross while the total non-associated gas production was 9,200 Mcfd gross raw.

Simonette North Oil

The Simonette North Oil property is located in Townships 062 to 063, Ranges 25 to 27 W5M, approximately 170 miles northwest of Edmonton, Alberta. Property interest lands are illustrated on Map 4.

The property produces oil and solution gas from the Dunvegan, Leduc and Montney formations. Most recently, Gain has targeted the Dunvegan Formation with horizontal wells.

The property commenced production in 1971 with peak production of approximately 2,900 bopd during 1975 with four wells. In 2019, Gain started producing from Dunvegan horizontal wells in this property. Current production is 350 bopd with nine oil wells. As of the analysis date, the property consisted of six producing deviated oil wells and three horizontal oil wells.

Simonette South Oil

The Simonette South Oil property is located in Townships 06, Ranges 27W5 and 01W6 and approximately 110 kilometres southeast of Grand Prairie, Alberta. Property interest lands are illustrated on Map 5.

The property produces oil and solution gas from the Lower and Basal members of the Lower Montney Formation.

The oil assets of the property have been on production since 2018 and Gain currently has 2 producing oil wells and 1 suspended well. Gas production commenced in 2008 and has been shut-in since April 2018. As of the analysis date, total property gross oil production was approximately 213 bopd while the total gross raw gas production was approximately 1,660 Mcfd.

Wapiti South

The Wapiti South property is located in Townships 064 through 069, Ranges 3 through 13 W6M, approximately 30 miles southwest of Grande Prairie, Alberta. Property interest lands are illustrated on Map 7.

The property has been on production since 1980 and currently has 29 producing oil wells and 275 producing non-associated gas wells, respectively. As of the analysis date, total property oil production from all wells was 1,530 bopd gross while the total non-associated gas production was 41,600 Mcfd gross raw.

The property consists of a mix of legacy and new wells producing from several formations with the majority stemming from the Cretaceous Age Cardium, Cadomin, Cadotte, and Belly River formations. Most recently, Gain has been targeting the Cardium Formation utilizing horizontal drilling and multi-stage fracture completion technologies.

Willesden Green

The Willesden Green property is located in Townships 038 through 047, Ranges 4 through 9 W5M, approximately 100 miles northwest of Calgary, Alberta. Property interest lands are illustrated on Map 8.

The property has been on production since the 1950's and currently has 33 producing oil wells and 39 producing non-associated gas wells, respectively. As of the analysis date, total property oil production from all wells was 300 bopd gross while the total non-associated gas production was 8,000 Mcfd gross raw.

The property produces oil and solution gas from the Cretaceous Age Belly River, Viking, Cardium and Ellerslie formations and from the Jurassic Age Rock Creek Formation.

Similarly, the property produces non-associated gas from the Cretaceous Age Belly River, Viking, Cardium, Falher, Glauconitic, Ellerslie and Notikewin formations, Jurassic Age Rock Creek Formation and from the Mississippian Age Pekisko Formation.

Most recently, Gain has been targeting the Falher Formation utilizing horizontal drilling and multi-stage fracture completion technologies.

CORPORATE SUMMARY

GLJ has reviewed public production, land information, accounting data, development plans and other technical information provided by the Company to assign reserves attributed to the proved producing, total proved, proved plus probable producing and total proved plus probable as of the effective date. The Company has stated that it does not intend to expend any capital on any development beyond that identified in the proved and proved plus probable reserves categories; therefore, any incremental contingent and/or prospective resources currently within the portfolio are not material. As such, GLJ has not estimated contingent and/or prospective resources as part of this report. Our engagement agreement details the scope of the evaluation.

A summary of the working interests and current development status for the reserves properties is provided in the following table.

**Summary of Assets of Gain Energy Ltd.'s Oil and Gas Reserves Properties
Effective June 30, 2020**

Asset	Lease Operator	Working Interest*	Status	Lease Expiry Date	Gross License Area km ²	Comment
Elmworth	Gain Energy Ltd.	49%	Production and Development	Held by production	71	No comment.
Open Creek	Various - Gain Energy Ltd.; Bonavista Energy Corp.	77%	Production and Development	Held by production	80	No comment.
Simonette North Oil	Gain Energy Ltd.	82%	Production and Development	Held by production	55	No comment.
Simonette South Oil	Anegada Oil Corp.	52%	Production and Development	Held by production	66	No comment.
Wapiti South	Various - Gain Energy Ltd.; Canadian Natural Resources Ltd.; Cenovus Energy Inc.; Modern Resources Inc.; Whitecap Resources Inc.	23%	Production and Development	Held by production	973	No comment.
Willesden Green	Various - Gain Energy Ltd.; Obsidian Energy Ltd.; InPlay Oil Corp.; Keyera Energy Ltd.; Westbrick Energy Ltd.; Cenovus Energy Inc.; NAL Resources Ltd.	39%	Production and Development	Held by production	230	No comment.
Remainder	Various	19%	Production and Development	Held by production	1,483	No comment.

* Average interest on participation; Based on total proved plus probable oil equivalent reserves.

A summary of the reserves and NPV are as illustrated in the following tables. The NPV of the reserves is based on an analysis of future production forecasts, capital expenditures, operating expenses, royalties, product prices and abandonment and reclamation costs.

The reserves as presented have not been further adjusted for risk and are consistent with the reserves guidance outlined in the COGE Handbook. The reserves reflect the appropriate level certainty as associated with proved and proved plus probable reserves.

**Summary of Oil and Gas Reserves by Status
Gain Energy Ltd.
Effective June 30, 2020**

Asset	Marketable Reserves	GROSS		NET ATTRIBUTABLE		Operator
		Total Proved	Total Proved & Probable	Total Proved	Total Proved & Probable	
Elmworth	LM OIL (Mbbbl)	620	2,311	353	1,136	Gain Energy Ltd.
	Heavy Oil (Mbbbl)	0	0	0	0	
	Conventioanl Gas (MMcf)	4,500	14,962	2,598	7,370	
	Natural Gas Liquids (Mbbbl)	570	1,905	331	940	
	Total BOE (Mboe)	1,940	6,710	1,117	3,304	
Open Creek	LM OIL (Mbbbl)	0	0	0	0	Various - Gain Energy Ltd.; Bonavista Energy Corp.
	Heavy Oil (Mbbbl)	0	0	0	0	
	Conventioanl Gas (MMcf)	49,846	72,021	38,514	55,553	
	Natural Gas Liquids (Mbbbl)	3,124	4,514	2,414	3,482	
	Total BOE (Mboe)	11,432	16,517	8,833	12,740	
Simonette North Oil	LM OIL (Mbbbl)	565	1,264	471	1,021	Gain Energy Ltd.
	Heavy Oil (Mbbbl)	0	0	0	0	
	Conventioanl Gas (MMcf)	1,879	3,874	1,595	3,203	
	Natural Gas Liquids (Mbbbl)	91	187	77	155	
	Total BOE (Mboe)	969	2,096	814	1,710	
Simonette South Oil	LM OIL (Mbbbl)	2,091	5,671	1,101	2,988	Anegada Oil Corp.
	Heavy Oil (Mbbbl)	0	0	0	0	
	Conventioanl Gas (MMcf)	8,127	20,800	4,126	10,576	

	Natural Gas Liquids (Mbbbl)	314	808	159	410	
	Total BOE (Mboe)	3,760	9,945	1,948	5,162	
Wapiti South	LM OIL (Mbbbl)	2,754	3,752	699	1,079	Various - Gain Energy Ltd.; Canadian Natural Resources Ltd.; Cenovus Energy Inc.; Modern Resources Inc.; Whitecap Resources Inc.
	Heavy Oil (Mbbbl)	0	0	0	0	
	Conventioanl Gas (MMcf)	95,951	125,168	20,223	28,135	
	Natural Gas Liquids (Mbbbl)	8,914	11,684	1,947	2,747	
	Total BOE (Mboe)	27,660	36,297	6,017	8,515	
Willesden Green	LM OIL (Mbbbl)	314	496	55	80	Various - Gain Energy Ltd.; Obsidian Energy Ltd.; InPlay Oil Corp.; Keyera Energy Ltd.; Westbrick Energy Ltd.; Cenovus Energy Inc.; NAL Resources Ltd.
	Heavy Oil (Mbbbl)	0	0	0	0	
	Conventioanl Gas (MMcf)	39,303	69,909	10,503	27,722	
	Natural Gas Liquids (Mbbbl)	2,289	4,079	615	1,628	
	Total BOE (Mboe)	9,154	16,227	2,421	6,329	
Remainder	LM OIL (Mbbbl)	13,416	20,011	1,143	1,861	Various
	Heavy Oil (Mbbbl)	0	0	0	0	
	Conventioanl Gas (MMcf)	201,576	277,591	45,547	62,026	
	Natural Gas Liquids (Mbbbl)	13,988	19,370	2,753	3,816	
	Total BOE (Mboe)	61,001	85,647	11,485	16,014	

Notes:

- (1) In accordance with the definition of "Gross" contained in the AIM Note for Mining, Oil and Gas Companies, June 2009, which forms part of the AIM Rules for Companies (the "AIM Note"), in the above table, "Gross" means 100% working interest reserves attributable to the license while "Net attributable" are those attributable to the Company, which are the Company's interest (operating and non-operating) share before deduction of royalties.
- (2) Operator" is the name of the company that operates the asset.

Summary of Net Present Values of Future Net Revenue Before Tax
Gain Energy Ltd.
Effective June 30, 2020

Reserves Category	Net Present Values of Future Net Revenue				
	<u>Before Income Taxes Discounted At (%/year)</u>				
	0%	5%	10%	15%	20%
	M\$	M\$	M\$	M\$	M\$
Proved					
Producing	67,079	81,488	76,856	70,201	64,035
Developed Non-Producing	9,948	8,670	7,416	6,339	5,448
Undeveloped	98,552	64,324	41,811	26,803	16,534
Total Proved	175,578	154,482	126,083	103,343	86,017
Total Probable	295,599	184,205	121,574	84,827	61,844
Total Proved Plus Probable	471,177	338,686	247,657	188,170	147,861

Summary of Net Present Values of Future Net Revenue After Tax
Gain Energy Ltd.
Effective June 30, 2020

Reserves Category	Net Present Values of Future Net Revenue				
	<u>After Income Taxes Discounted At (%/year)</u>				
	0%	5%	10%	15%	20%
	M\$	M\$	M\$	M\$	M\$
Proved					
Producing	67,079	81,488	76,856	70,201	64,035
Developed Non-Producing	8,837	7,943	6,931	6,008	5,219
Undeveloped	78,098	49,192	30,307	17,855	9,438
Total Proved	154,014	138,623	114,093	94,065	78,692
Total Probable	229,073	141,393	91,866	63,033	45,185
Total Proved Plus Probable	383,087	280,017	205,959	157,098	123,877

Summary of Oil and Gas Reserves
Gain Energy Ltd.
Effective June 30, 2020

Reserves Category	Summary of Oil and Gas Reserves		
	<u>Oil Equivalent</u>		
	Total Company Interest Mboe	Company Working Interest Mboe	Company Net After Royalty Mboe
Proved			
Producing	18,400	17,975	16,587
Developed Non-Producing	1,966	1,949	1,782
Undeveloped	12,270	12,190	11,433
Total Proved	32,636	32,114	29,801
Total Probable	21,138	20,839	19,150
Total Proved Plus Probable	53,774	52,953	48,951

GEOLOGY

Elmworth

Dunvegan

The Elmworth Area is bordered to the southwest by the Foothills Disturbed Belt and to the north, in the subsurface, by the Peace River Arch, a basement high during the period from Pre-Cambrian through Devonian that subsequently collapsed during the Mississippian creating a complex-block-faulted Paleozoic section. The Upper Cretaceous Kaskapau to underlying Shaftsbury interval encompasses a major transgressive-regressive to transgressive event and is subdivided into five depositional sequences.

The Upper Cretaceous Dunvegan Formation is one of those sequences, it consists of 225 metre section of interbedded conglomerates, sandstones shales and coals which are indicative of alluvial-deltaic conditions during deposition under regressive conditions. It is a complex clastic wedge which was deposited into the subsiding west Alberta basin during the latest stages of the Columbian Orogeny (Middle Cenomanian). Alluvial fans in the highest areas, far to the northwest, fed rivers which flowed southeastward into northwestern Alberta. In northwestern Alberta, the transitional continental/marine environments dominated so that periodic transgressive/regressive cycles coupled with changes in the amount of clastic influx gave rise to a complex stacking of regional depositional systems. The regional dip is to the southwest, somewhat perpendicular to the strike of the shoreface facies sand deposits. As such, combination structural/stratigraphic traps are formed by up dip facies changes. The source of the sediment was increased tectonism north and west of the area. Lateral discontinuities within various sandstones of the sequence create local stratigraphic traps throughout the Elmworth area and localized thrust faulting traps hydrocarbons further to the west.

Underlying the Dunvegan clastic sequence is a thick marine shale succession, the Shaftsbury formation, within the study area. The top of the Shaftsbury marks the boundary between the Fort St. John Group and the Upper Cretaceous Dunvegan Formation. Tectonism along the Omineca geanticline signaled the end of marine deposition as coarse clastics of the Dunvegan Formation were laid down.

The Dunvegan was audited using a 9 percent porosity cut-off and a/m/n of 0.8/2.0/1.7

Cardium

The Cardium Formation was deposited within the western margin of the Cretaceous Western Interior Seaway – approximately 90 million years ago, during the Late Cretaceous, late Turonian to early Coniacian age. Deposition of the Cardium Formation was controlled by Sea-level fluctuations during an overall transgressive cycle; and is comprised of shoreface to offshore deposits. It is bounded above and below by the shales of the Wapiabi and Blackstone formations, respectively. The Elsworth area consists of progradational strandplain sequences that are part of the Kakwa Member and is overlain by the mudstone dominant Moosehound and Cardium Zone members of the Cardium Formation. The rising Cordillera to the West provided the source rock for these deposits.

The Cardium Formation within Elsworth was deposited in a progradational strandplain setting that resulted in a 6 to 14 metres thick continuous sand body deposited parallel to the shoreline during progradation. This sandstone unit can be divided into upper and lower sub-units. The upper sand unit is comprised of relatively clean quartzose sand with variable levels of bioturbation. It is a fine to medium grained sand with porosity ranging from 6 to 10 percent and permeability between 0.3 and 12 mD. The lower sand unit is comprised fine grained sand with abundant siderite, localized rhodochrosite and organic material. The siderite occurs as both detrital grains and cements. Porosity within the lower sand ranges from 5 to 9 percent with permeability between 0.1 and 0.25 mD. Though the two sand units have similar porosity the decreased grainsize and presence of siderite within the lower sand unit has resulted in lower permeabilities.

An audit of Gain Energy's net pay map was conducted. For net pay determination within the sandstone, a six percent porosity cutoff was used. Porosity values ranged between 8.5 to 10.5 percent with water saturation ranging between 25 to 45 percent.

Open Creek

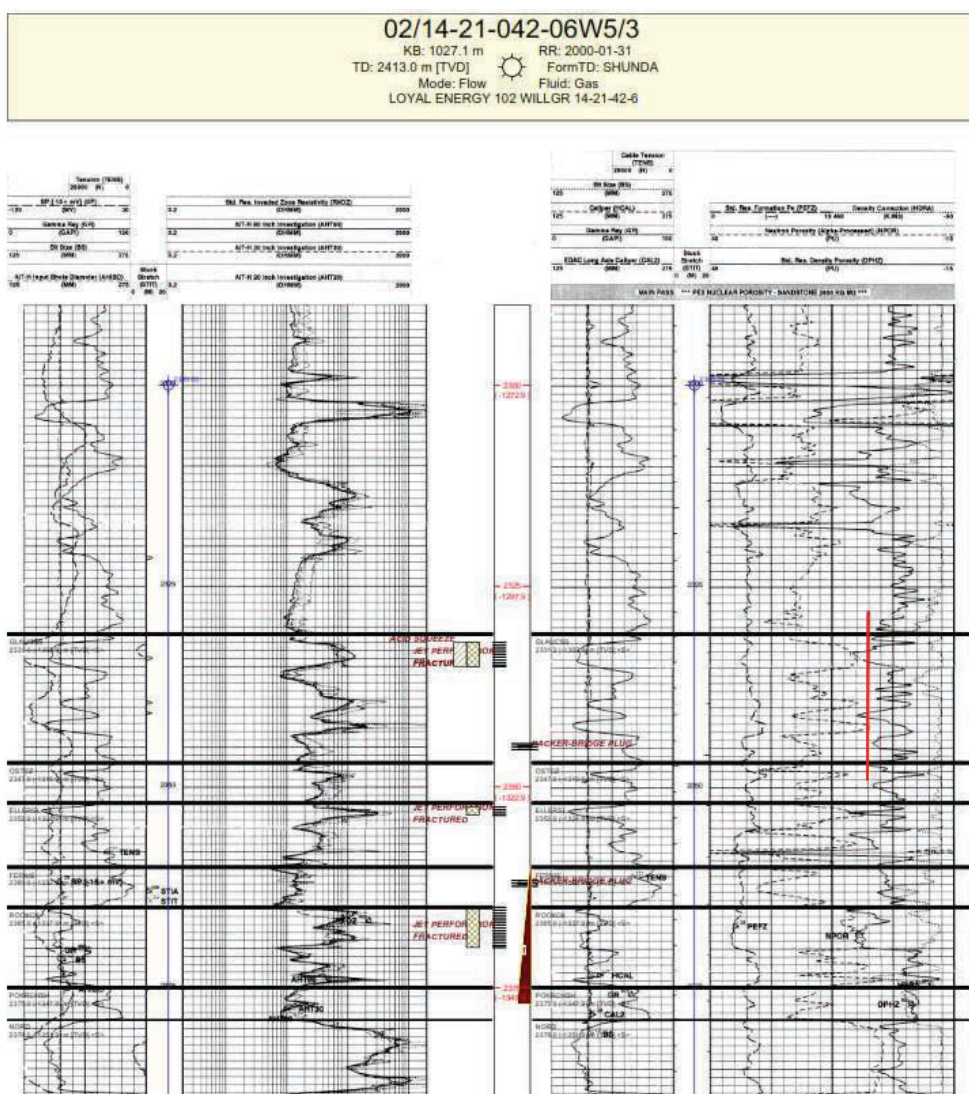
The Lower Cretaceous Mannville Group Glauconitic Sandstone is conformably overlain by non-marine coal bearing Upper Mannville deposits and underlain by the Ostracod Beds of brackish water shales, limestones and thin quartz sandstones and siltstones.

At Open Creek Township 42 Range 6W5M, the Glauconitic Sandstone is generally considered to be of marine origin with discontinuous porosity and produces condensate/oil rich gas from small areas with good porosity and permeability. The Glauconitic Sandstone varies from zero to over 10 meters in thickness. The Glauconitic Sandstone consists of very fine to medium grained quartz

sandstone occasionally mixed with somewhat coarser salt-and-pepper sandstone. Glauconite is common with occasional siderite, interstitial clay and calcareous cement vary based on location.

GLJ audited the net pay maps supplied by Gain Energy. Maps were based on a 6 percent porosity cut off and GLJ used an RW of approximately 0.04 at Formation temperature with $a=0.62$, $m=2.15$, $n=2.0$ to calculate water saturation. Residual oil saturation was estimated from GLJ data base of core analysis to be approximately 15 to 20 percent.

Type log:



Simonette North Oil

Gain Energy has been targeting the Dunvegan Formation for light oil production within the Simonette North property.

The Dunvegan consists mainly of coarsening-upward marine sandstones, non-marine and deltaic sandstone, light grey to yellowish buff in the type area. Beds may be massive, with cross-bedding. Thin beds of shale, shelly limestone and coal are present. The Dunvegan is dominantly marine in the area east of Dunvegan, but completely continental in northeastern British Columbia, where thick arkosic and conglomeratic beds are common. South of the Wapiti River in the foothills, and across the Grande Prairie area the sands are brackish water to marine and usually porous. The Dunvegan Formation is overlain conformably by the Kaskapau Formation and is underlain conformably and transitionally by shales of the Shaftesbury Formation within the Fort St. John Group.

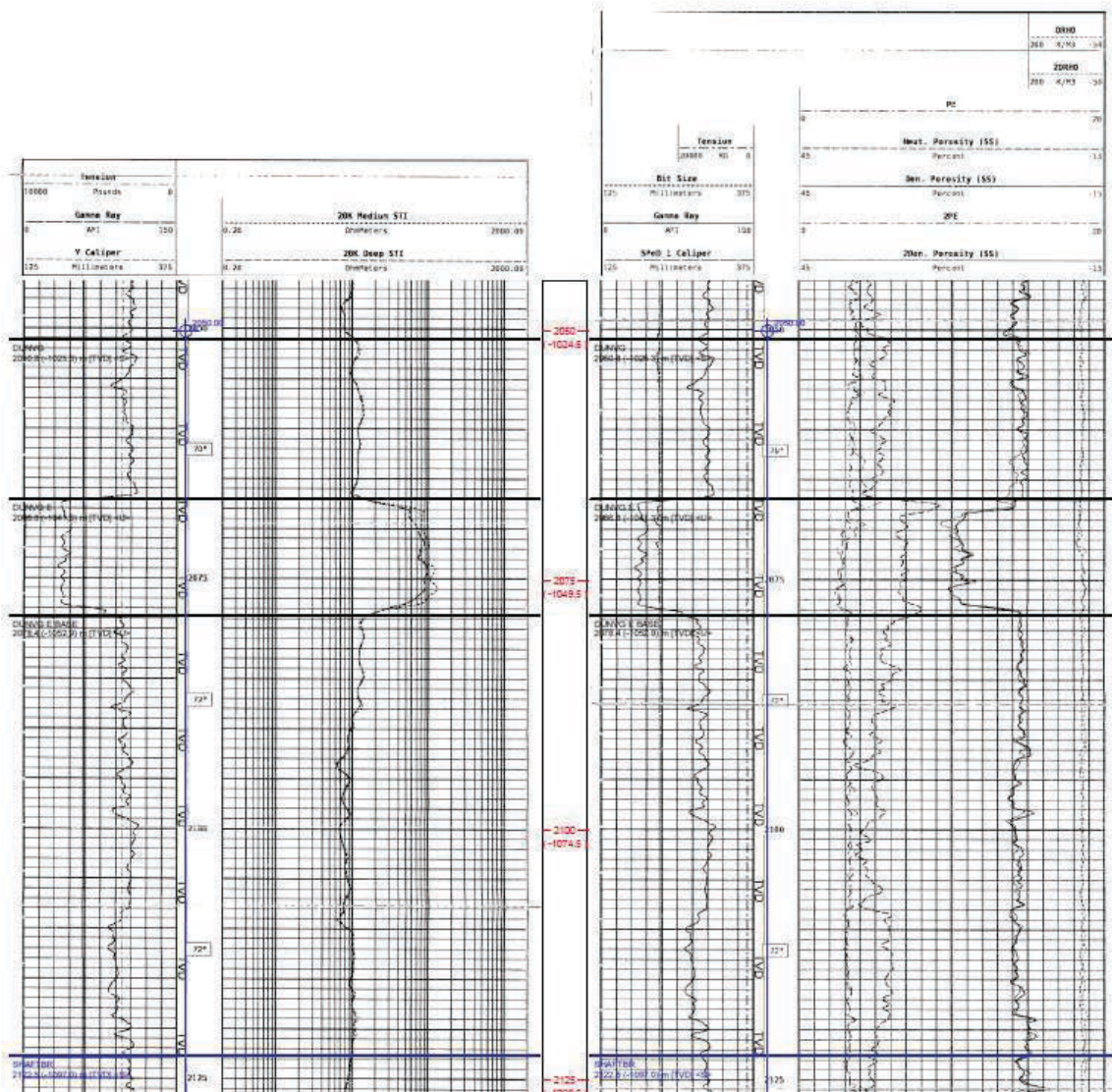
The Upper Cretaceous Dunvegan Formation is a complex clastic wedge which was deposited into the subsiding west Alberta basin during the latest stages of the Columbian Orogeny (Middle Cenomanian). Alluvial fans in the highest areas, far to the northwest, fed rivers which flowed southeastward into northwestern Alberta. In northwestern Alberta, the transitional continental/marine environments dominated so that periodic transgressive/regressive cycles coupled with changes in the amount of clastic influx gave rise to a complex stacking of regional depositional systems. The regional dip is to the southwest, somewhat perpendicular to the strike of the shoreface facies sand deposits. As such, combination structural/stratigraphic traps are formed by updip facies changes.

The Dunvegan Formation in the Simonette area consists mainly of a few coarsening-upward marine sandstones deposited in a river dominated deltaic sequence analogous to a modern-day Bird's Foot Delta. A few wells have also encountered some shaley channel-like deposits that are positioned in the lower cycles of the Dunvegan.

GLJ audited net pay mapping for the Dunvegan using a porosity density cut off of greater than or equal to 6 percent, Grain Density of $\sim 2,960$, and a Gamma cut off of 80 with R_w of .104 at Formation Temperature, with $a = .8$, $m = 2.0$, $n = 1.7$

Dunvegan Simonette Type Log

00/10-09-062-26W5/0
 KB: 1025.5 m RR: 2012-01-21
 TD: 2745.9 m [TV/D] FormTD: MONTNEY
 Mode: Susp Fluid: Gas
 CEQUENCE HZ SIMON 10-9-62-26



Simonette South Oil

Within the Simonette South area, the Upper Montney has been eroded and the preserved Lower Montney attains a thickness of up to 175 metres. The Lower Montney has been subdivided into middle, lower, and basal members based on petrophysical characteristics and core analysis data. The lower Montney member was further subdivided into A and B members for mapping purposes.

Summarized below are the stratigraphic tops in metres TVD for two representative wells from the interest lands:

	100/02-11-061- 01W6	100/11-16-061- 27W5
Lower Montney		
Middle Member	3239.4	3136.6
Lower Member	3310.4	3201.8
Basal Member	3371.8	3264.2
Belloy	3410.7	3304.1

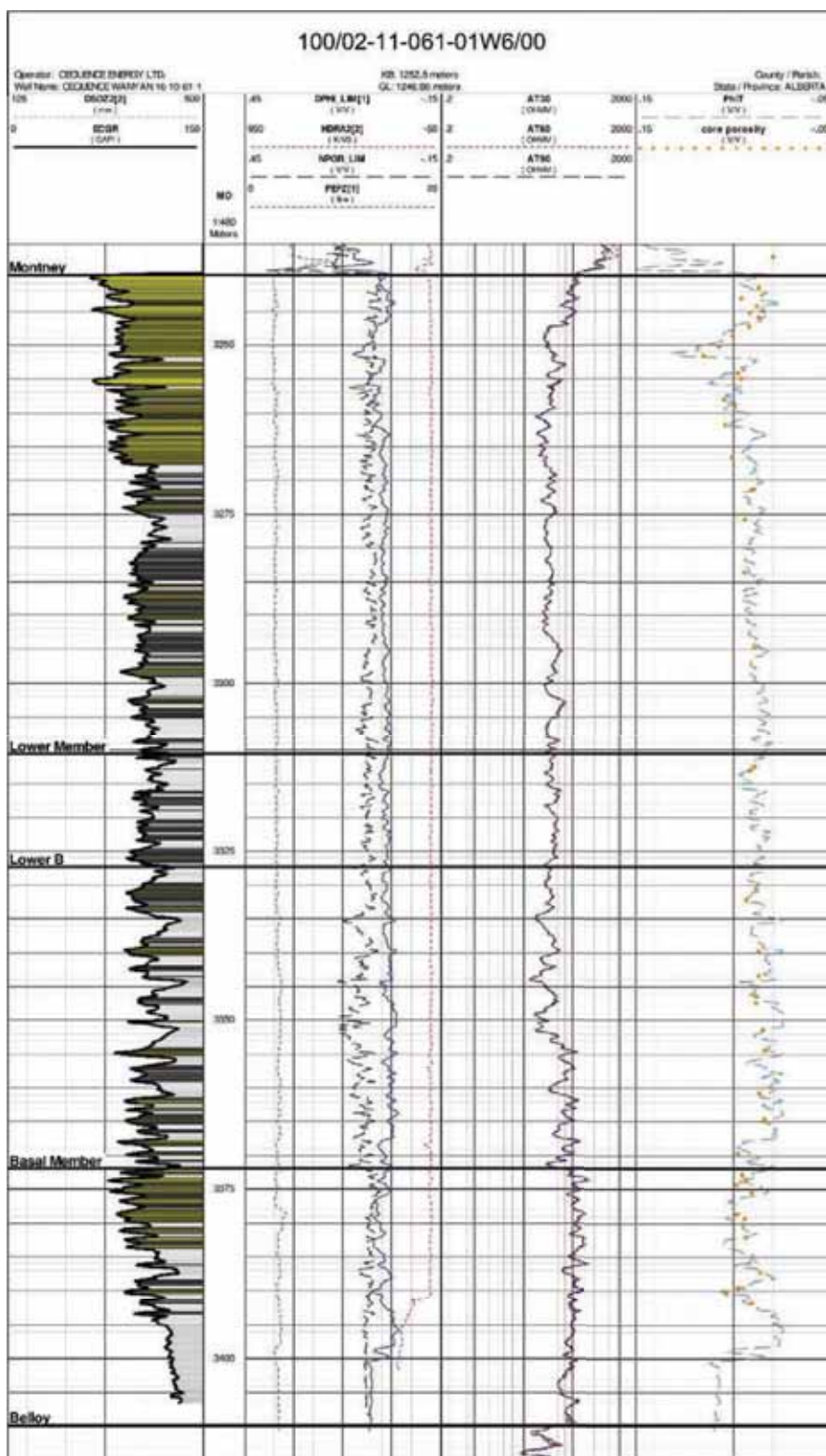
Petrophysical Methodology

Porosity was calculated using a normalized density log and individual pairs of grain and fluid density for each of the members of the Montney. Average grain density, as indicated by core analysis of samples taken from each member, was used in the density porosity calculation and the fluid density estimates were used to refine the tie to core porosity. Once these values were supported with ties to available core data the pair were applied to regional petrophysical evaluation of wells without core data. The formula for the estimate of reservoir porosity is as follows:

$$\phi = \frac{\rho_{grain} - \rho_{bulk}}{\rho_{grain} - \rho_{fluid}}$$

Net pay was then estimated by applying a two percent cut off. In general, the average porosity of each member of the Lower Montney was calculated using a 2,730/800 kg/m³ grain/fluid pairing.

Type Well:



Wapiti South

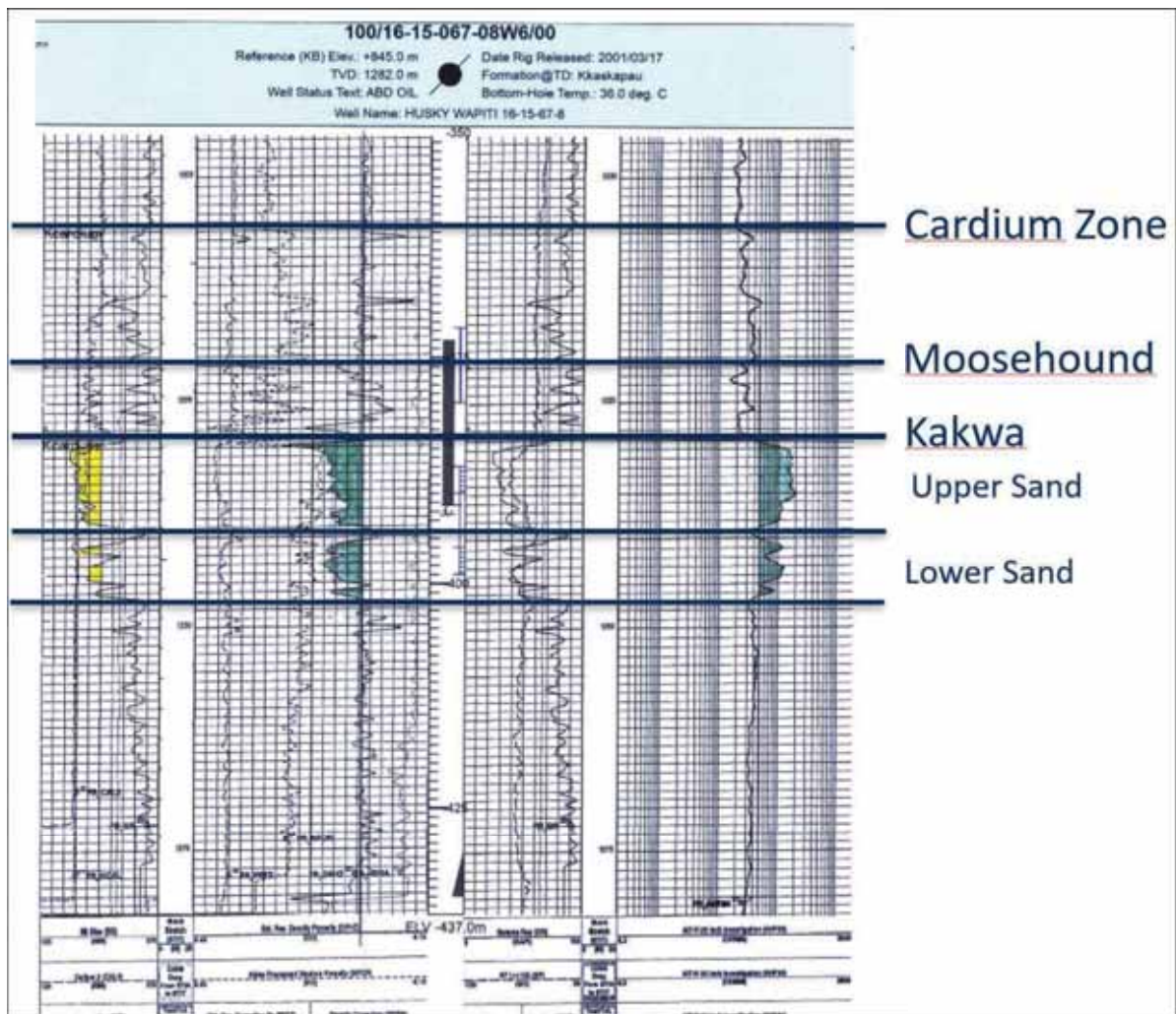
Gain Energy Ltd. is currently targeting the Cardium Formation for light oil production within their Wapiti property.

The Cardium Formation was deposited within the western margin of the Cretaceous Western Interior Seaway – approximately 90 million years ago, during the Late Cretaceous, late Turonian to early Coniacian age. Deposition of the Cardium Formation was controlled by Sea-level fluctuations during an overall transgressive cycle; and is comprised of shoreface to offshore deposits. It is bounded above and below by the shales of the Wapiabi and Blackstone Formations, respectively. The Wapiti area consists of progradational strandplain sequences that are part of the Kakwa Member and is overlain by the mudstone dominant Moosehound and Cardium Zone members of the Cardium Formation. The rising Cordillera to the West provided the source rock for these deposits. The oil within the Wapiti Pool is located within a deep basin trap which is characterized by up dip water to the east and downdip gas to the west.

The Cardium Formation within Wapiti was deposited in a progradational strandplain setting that resulted in a 6 to 1 metre thick continuous sand body deposited parallel to the shoreline during progradation. This sandstone unit can be divided into upper and lower sub-units. The upper sand unit is comprised of relatively clean quartzose sand with variable levels of bioturbation. It is a fine to medium grained sand with porosity ranging from 6 to 10 percent and permeability between 0.3 and 12 mD. The lower sand unit is comprised fine grained sand with abundant siderite, localized rhodochrosite and organic material. The siderite occurs as both detrital grains and cements. Porosity within the lower sand ranges from 5 to 9 percent with permeability between 0.1 and 0.25 mD. Though the two sand units have similar porosity the decreased grainsize and presence of siderite within the lower sand unit has resulted in lower permeabilities.

An audit of the Gain Energy net pay map was conducted. For net pay determination within the sandstone a six percent porosity cutoff was used. Porosity values ranged between 8.5 to 10.5 percent with water saturation ranging between 25 to 45 percent.

Type Log of the Cardium formation within the Wapiti Area:



Willesden Green

Regional Spirit River Group Geology

The Spirit River Formation is divided into three Members, the Wilrich, Falher and Notikewin, oldest to youngest, respectively. The Falher and Wilrich Members are further subdivided into sub-members ranging from Falher A to H and Wilrich A to C. The Notikewin Member has an abrupt conformable contact with the overlying Harmon Member of the Peace River Formation and is transitional at base to the Falher Member. The Falher Member is conformable transitionally with underlying Wilrich Shale which conformably overlies the Bluesky Formation

		Dunvegan		
Early Cretaceous	Fort St. John Group	Shaftesbury Fm		
		Peace River Fm	Paddy Mbr	
			Cadotte Mbr	
			Harmon Mbr	
		Notikewin Mbr		
		Spirit River Formation	Falher Member	Falher A
				Falher B
				Falher C
				Falher D
				Falher E
	Falher F			
	Falher G			
	Falher H			
Wilrich Member	Wilrich A			
	Wilrich B			
	Wilrich C			
Bluesky				
Gething				
Cadomin				

Stratigraphic Chart of the Spirit River Formation

Over the entirety of the deep basin, the Wilrich Member contains three sub-members and the Falher contains up to nine sub-members. These sub-members are represented by transgressive cycles, where each cycle is commonly capped by carbonaceous shale or coals. The vertical accumulation of sub-members results in stacked sandstone bodies of varying depositional environments ranging from marine to fluvial and therefore has multi-zone target potential. The Wilrich, Falher and

Notikewin reservoirs occur regionally throughout the area in a series of northeast to southwest trending progradational barrier island complexes transected by incised valley fill sequences.

The Wilrich Member is overlain by the Falher Member of the Spirit River Formation and underlain by the Bluesky/Glaucinite Formation. The Wilrich is predominantly marine shale interbedded with siltstone and fine to very fine grained sandstones in coarsening-upward cycles trending northeast to southwest. The easily defined cycles are mainly shale at the base and coarsen upwards into sandstone in the upper half. The reservoir consists of low permeability and porosity sandstones. The Falher Member is transitionally conformable with the overlying Notikewin Member and the underlying Wilrich Member of the Spirit River Formation. Both the Falher and Notikewin Members of the Spirit River Formation were deposited in a series of prograding shorelines and within a deltaic environment; sandstones are very fine to fine-grained and may be overlain by coals or carbonaceous shales. Distributaries to tidal channel deposits are occasionally present, exhibiting a fining upwards log character. Significant permeability is associated with the coarser material found in the base of the channels.

Productive sandstones encountered within these sub-members are characteristically low permeability over-pressured and gas bearing. These reservoirs have no moveable in-situ water, indicating an unconventional capture mechanism down-dip of water bearing reservoirs (Masters, 1979)¹.

Nomenclature of the sub-members within the Wilrich and Falher Members is inconsistent within the industry. GLJ has adopted the stratigraphic terminology from Jackson, 1984² and Nodwell and Hart, 2006³. The paper by Jackson, is an invaluable resource to gain understanding of the paleogeography of the Spirit River/Lower Cretaceous and was used as a reference for the understanding of the deposition of the Lower Cretaceous and Spirit River Formation.

Willesden Green Geology

Within the Willesden Green property, Gain Energy has targeted a prolific Falher channel. This channel has been mapped via well logs and seismic data. Gain, has completed advanced geophysical analysis on this Falher channel which includes inversion. GLJ has reviewed the geophysical interpretations and agrees with their findings. In conjunction with the geophysical

¹ Masters, J.A., 1979, Deep Basin Gas Trap, Western Canada, American Association of Petroleum Geologists, Bulletin V. 63, No. 2, P. 152-181.

² Jackson, P.C. 1984. Palaeogeography of the Lower Cretaceous Mannville Group of Western Canada. In: Elmworth - Case Study of a Deep Basin Gas Field. J.A. Masters (ed.). American Association of Petroleum Geologists, Memoir 38, p. 49-77.

³ Nodwell, B., and Hart, B., 2006. Deeply-rooted topographic control on the deposition of the Falher F conglomerate trend, Wapiti Field, Deep Basin, Alberta. *Bulletin of Canadian Petroleum Geology*, 54, p. 1-21.

review, GLJ completed petrophysical evaluations on vertical wells which intersected this Falher Channel. GLJ used a consistent approach for petrophysics which is in line with the rest of the Spirit River trend, which was applied to this property:

- Volume of shale was determined by a linear conversion of the gamma ray log.
- Effective porosity in the petrophysical evaluation of the Spirit River was determined primarily using neutron density cross plot porosity, corrected for shale using the following equation:

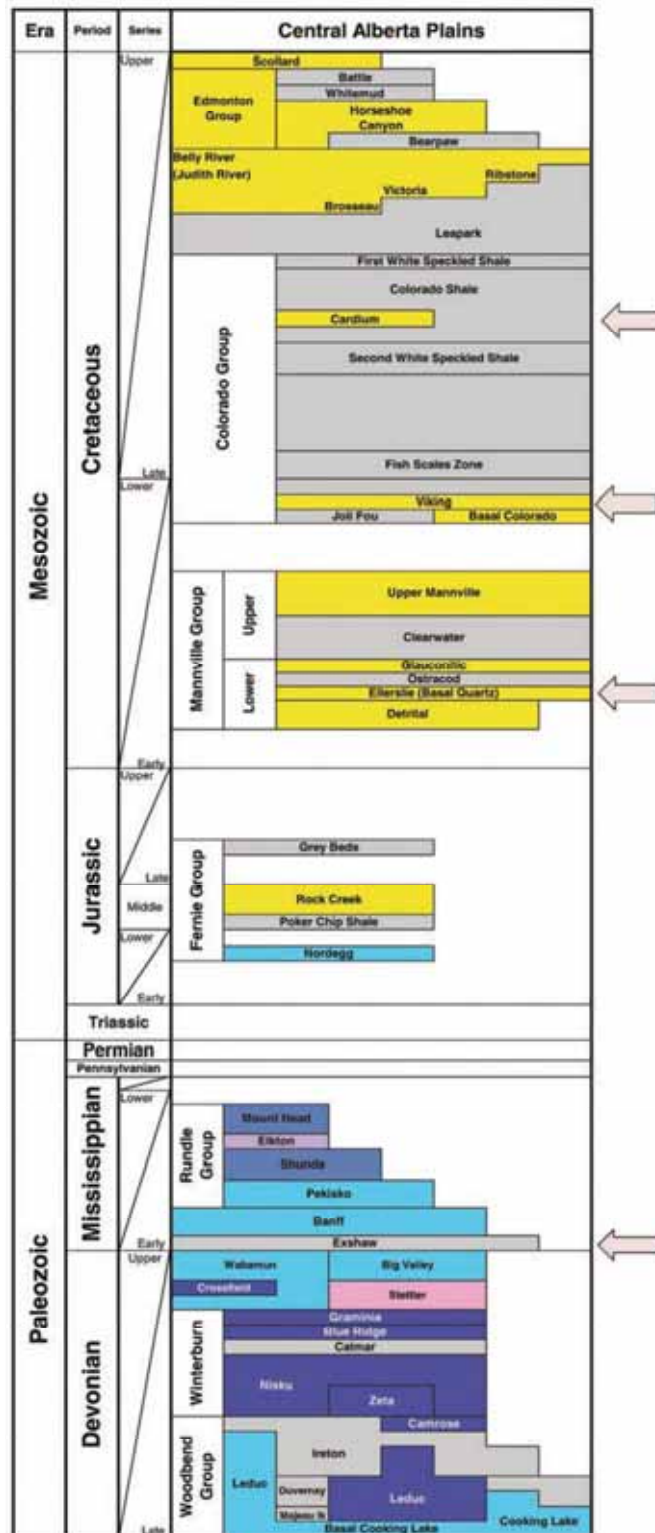
$$\phi_{Effective} = \phi_{Total} - (V_{Shale} \cdot \phi_{Shal})$$

The shale porosity was determined from shale zones identified by the Gamma Ray log.

- Water Saturation was calculated using the Simandoux equation with a, m and n constants of 1.0, 1.8 and 1.8 respectively.
- The formation water resistivity (Rw) for the Falher in Willesden Green was 0.08 ohm-metres at 25 degrees Celsius

The best case (P50) net gas pay for the Falher was determined by employing cut offs of 3 percent effective porosity, 40 percent volume of shale and 50 percent water saturation.

The targeted Falher Channel was mapped for net pay and was used for volumetric calculations and well planning.



Stratigraphic Chart – Central Alberta Productive Reservoirs

PERFORMANCE REVIEW, RESERVES AND PRODUCTION FORECAST

Elmworth

Ultimate recoverable gas reserves were determined by decline analysis, volumetric calculations, analogy or by a combination of these methods. Where applicable, performance-based reserves assignments were made. For mature producers, the reserves were assigned by decline analysis using appropriate decline profiles as evident by the production history of the individual well.

The oil reserves were assigned by extrapolation of current oil rate trend to a final oil rate of 3 bopd. The Dunvegan future development has been proposed with 1-mile long horizontal wells at 160 acres drainage area i.e. four wells per section. The current inventory of horizontal Dunvegan drilling locations in Elmworth is nine (9) and all are probable only locations. The oil reserves were forecast using an exponent of 0.8 as exhibited by Dunvegan producers in Elmworth.

The reserves were also assigned to three (3) proved and six (6) additional probable horizontal Cardium locations in this property. The reserves were assigned based on a type curve that was constructed using the decline profiles of the existing horizontal wells in the area. The oil reserves were forecast using an exponent of 0.8 and 1.0 along with the terminal decline of 12 and 10 percent in the proved and proved plus probable cases, respectively.

Open Creek

Glauconitic horizontal ultimate recoverable gas reserves have been assigned based on a combination of volumetric calculation, production decline analysis and analogy.

Ultimate recoverable non-associated gas reserves for all producing entities have been assigned by rate-cumulative decline analysis. For the older vertical non-associated gas wells, exponential ($n = 0.0$) to hyperbolic ($n = 0.3$) decline exponents were generally used. For the newer horizontal, multi-stage fracture oil and non-associated gas wells, a much higher initial harmonic to super-harmonic exponent was used reflecting the steep initial production decline profile that is expected for these newer horizontal fractured wells.

Final gas rates of 10-25 Mcfd gross were generally used for the non-associated gas wells.

Future horizontal development drilling is expected to continue within the property with the drilling of 22 future horizontal non-associated gas locations consisting of 18 proved and 4 probable Glauconitic locations. The Glauconitic horizontal locations consist of a combination of two-mile (ten wells), 1.5-mile (two wells) and one-mile (ten wells) horizontal lateral lengths. All future horizontal drilling locations have been forecast to be drilled over the five-year period from 2021 to 2026. Five additional non-associated gas well reactivations and plunger lift installations have also been included for 2020.

Simonette North Oil

Ultimate recoverable oil for all producing entities have been assigned by rate-cumulative decline analysis. OIIP was identified for the Dunvegan producing wells and development locations. The recovery factors of the Dunvegan wells ranged from 6 percent in the low estimate and 8 percent in the best estimate.

For the older vertical oil wells, exponential to hyperbolic decline exponents were generally used. For the newer horizontal, multi-stage fracture oil, a higher initial exponent was used reflecting the steep initial production decline profile that is expected for these newer horizontal fractured wells.

Final oil rates of 2 bopd gross per well were generally used for the oil well production decline profiles. Property oil well solution gas production has been forecasted with a surface loss of 27.5 percent.

Future horizontal development drilling is expected to continue within the property with the drilling of two future horizontal Dunvegan oil probable only locations. All future horizontal drilling locations have been forecast to be drilled over the next three years. Five oil well reactivations have also been included for 2021 and 2022.

Simonette South Oil

Reserves estimates for the Simonette South Oil property were evaluated using a combination of decline analysis and analogy, using volumetrics to check for recovery factor reasonableness.

Development in the lower and basal members of the Lower Montney began in 2018. To date, three successful oil wells have been drilled by the operator on interest lands with varying results.

The first well, 00/07-15-061-27W5/0, was drilled to a horizontal completed length of approximately 925 metres with a frac intensity of 50 tonnes of proppant per stage. The well was drilled close to the Belloy Formation and encountered a higher than expected water cut.

The subsequent well in the property was 02/15-13-061-01W6/2. This well was drilled higher in the structure to avoid fracturing into the Belloy Formation. The well was completed at a horizontal length of 2,200 metres with a frac intensity of 34 tonnes of proppant per stage. The well has outperformed expectations and has shown a stabilized water cut of 60 percent and a gas to oil ratio (GOR) of approximately 2,300 scf/bbl.

A third well, 00/02-03-061-27W5/0, was drilled in the property in late 2019 following the same completion technique as 15-13 at a longer horizontal length of approximately 2,500 metres. The well tested high initial oil rates but has a much higher GOR of approximately 11,600 scf/bbl over the first eight months of production. Additionally, the well is showing a higher average water cut of 80 percent. The higher GOR and water cut has created fluid handling issues requiring the well to flow restricted since start of production.

Undeveloped reserves have been assigned to twelve future locations offsetting the existing development, six proved and six probable locations. Given the variability in GORs and performance observe to date, it was necessary to create two different type curves for the development locations. A high GOR type curve was used for the four locations offsetting 02-03 while a low GOR type curve was assigned to the eight locations offsetting the 15-13 and 07-15 wells. A map of the undeveloped locations by reserves classification is presented in the property report.

Wapiti South

Cardium and Falher horizontal ultimate recoverable gas reserves have been assigned based on a combination of volumetric calculation, production decline analysis and analogy.

Ultimate recoverable oil and non-associated gas reserves for all producing entities have been assigned by rate-cumulative decline analysis. For the older vertical oil and non-associated gas wells, exponential ($n = 0.0$) to hyperbolic ($n = 0.4$) decline exponents were generally used. For the newer horizontal, multi-stage fracture oil and non-associated gas wells, a much higher initial harmonic to super-harmonic exponent was used reflecting the steep initial production decline profile that is expected for these newer horizontal fractured wells.

Final oil rates of 2 bopd gross per well were generally used for the oil well production decline profiles, while 25 Mcfd gross were generally used for the non-associated gas wells. Property oil well solution gas production is mainly conserved and has been forecasted assuming an increasing gas-oil-ratio (GOR) profile for new wells and a flat profile for older wells exhibiting a steady GOR.

Future horizontal development drilling is expected to continue within the property with the drilling of eleven future horizontal wells and ten future vertical wells broken out as follows:

	Primary	Proved	Probable
Well Type	Product	Count	Count
Cardium Hz.	Oil	9	1
Falher Hz.	Gas	1	-
Cadomin Vt.	Gas	7	3

All future drilling locations have been forecast to be drilled over a five-year period from 2020 to 2024. Additional non-producing reserves are assigned to seven wells expected to be put on production or tied in with minor associated capital expenses.

Willesden Green

Falher horizontal ultimate recoverable gas reserves have been assigned based on a combination of volumetric calculation, production decline analysis and analogy.

Ultimate recoverable oil and non-associated gas reserves for all producing entities have been assigned by rate-cumulative decline analysis. For the older vertical oil and non-associated gas wells, exponential ($n = 0.0$) to hyperbolic ($n = 0.2$) decline exponents were generally used. For the newer horizontal, multi-stage fracture oil and non-associated gas wells, a much higher initial harmonic to super-harmonic exponent was used reflecting the steep initial production decline profile that is expected for these newer horizontal fractured wells.

Final oil rates of 1 bopd gross per well were generally used for the oil well production decline profiles, while 25 Mcfd gross were generally used for the non-associated gas wells. Property oil well solution gas production is mainly conserved and has been forecasted assuming a flat life gas-oil-ratio (GOR) for the remaining producing life of the well.

Future horizontal development drilling is expected to continue within the property with the drilling of nine future horizontal non-associated gas locations. Four proved future horizontal locations

consist of 3 Falher and 1 Notikewin location. Five probable future horizontal locations consist of 2 Falher and 3 Glauconitic locations. The Glauconitic and Falher future horizontal locations consist of a combination of one-mile (three wells) and two-mile (five wells) horizontal lateral lengths. All future horizontal drilling locations have been forecast to be drilled over the next five years. Two non-associated gas well reactivations have also been included for 2020.

ECONOMIC ANALYSIS

A summary of the economic parameters used in this evaluation, including product pricing, operating costs, surface loss, by-product yields and future capital expenditures, is provided within the detailed property reports. Operating costs, product price adjustments and surface losses have been derived from property lease operating and revenue statements provided by Gain Energy. Capital costs were provided by Gain and were deemed reasonable based on GLJ experience. Total economic forecasts for the various reserve categories are presented in the Economic Forecasts section of this report.

Property abandonment and reclamation costs of all existing wells, future reserves wells and existing facilities and pipelines, have been included at the property level.

Plant and Equipment

Gain Energy has ownership in various facilities to process interest oil, gas and liquid volumes. Major operated facilities include gas plants, compressors, oil batteries and dehydration units. Supplied information indicates major operated facilities exist at Gilby, Leedale, Medicine River, Open Creek, Rimbey, Wilson Creek, Wapiti South, and the Simonette areas. Facility operating costs are included at the property level as derived from property lease operating and revenue statements provided by Gain Energy.

Other income in this report reflects the net third-party processing and gathering income plus road usage fees as noted in the operating statements.

It was GLJ's primary mandate in this evaluation to provide an independent evaluation of the oil and gas reserves of the Gain Energy in aggregate. A detailed review of field, gathering and processing facilities was not undertaken.

Other Economic Considerations

This report *does not* address the following issues:

- Future processing income potential.
- The current condition of field, gathering and processing facilities, i.e. an inspection was not carried out.

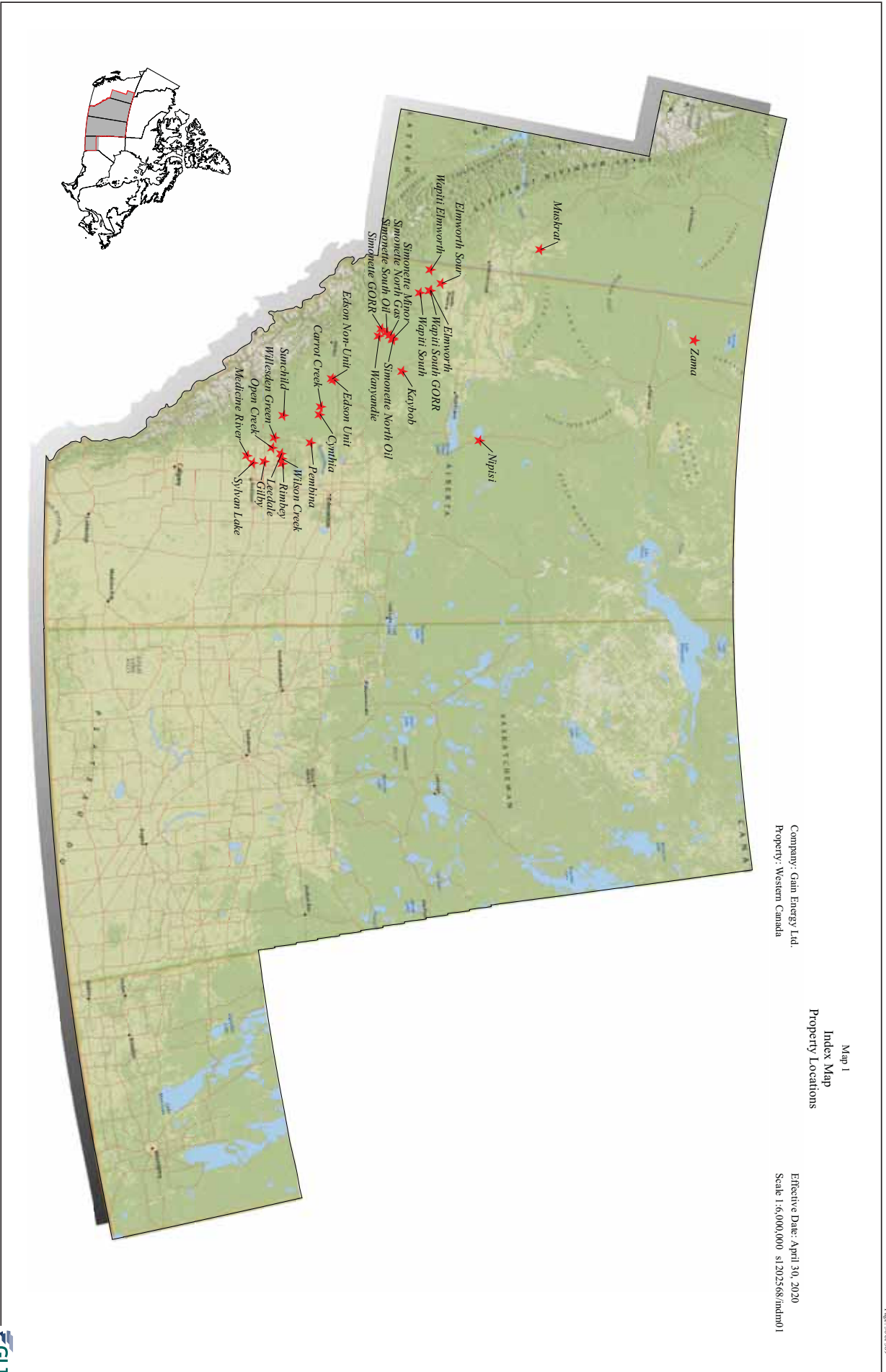
CONCLUSIONS

Tables summarizing results of production, royalties, costs, revenue projections, reserves, abandonment and reclamation, and present value estimates for various reserves categories for individual properties and Gain Energy total are provided in the Summary and After Tax Analysis sections of this report.

Map 1
Index Map
Property Locations

Company: Gain Energy Ltd.
Property: Western Canada

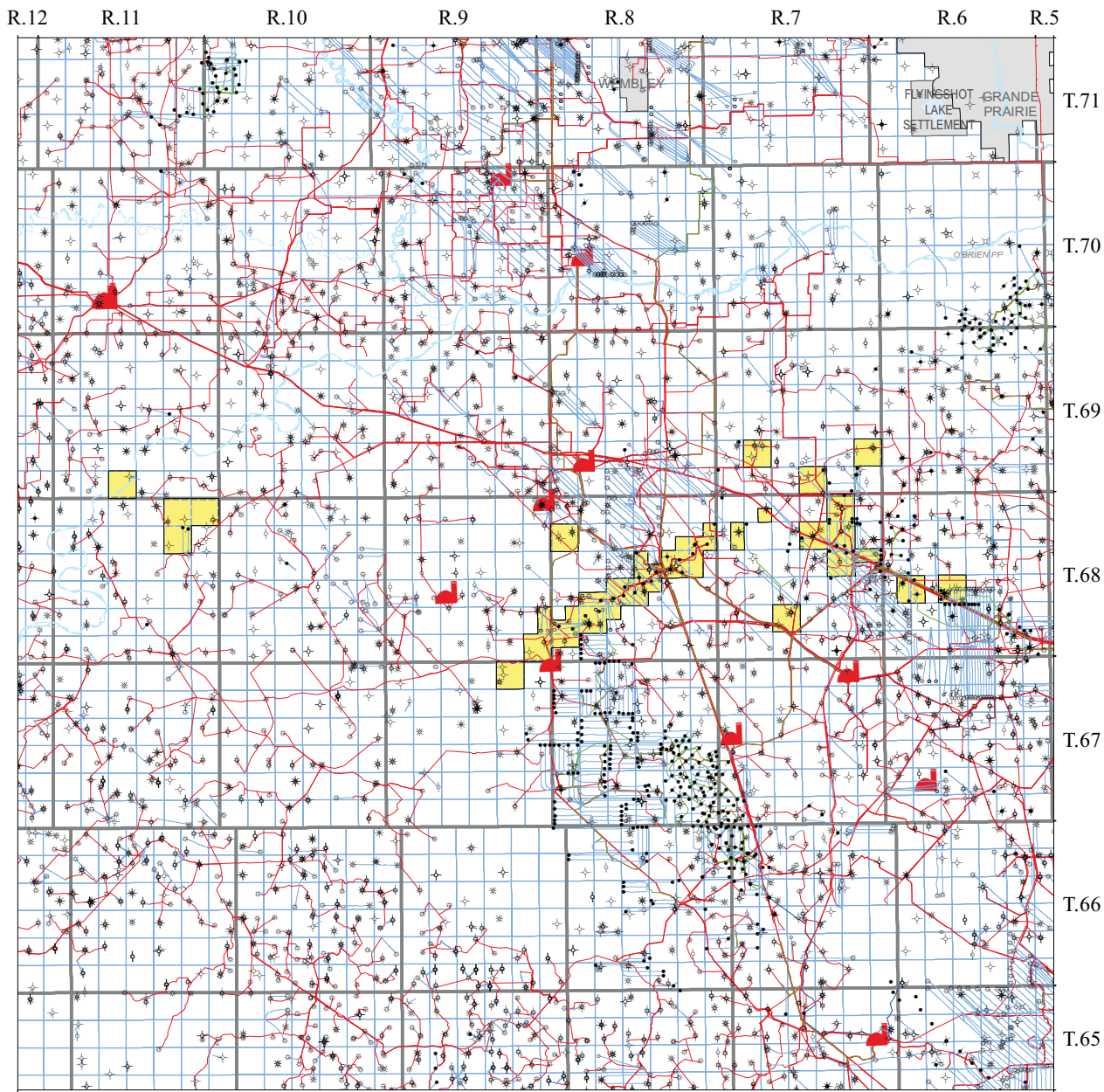
Effective Date: April 30, 2020
Scale 1:6,000,000 s1202568/indm01



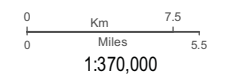
Map 2 Land Map

Company: Gain Energy Ltd.
Property: Elsworth

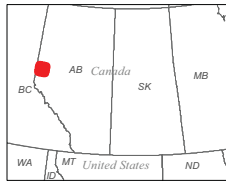
Effective Date: June 30, 2020
Project: s1202568/p08m01



W6M



Legend
 Interest Land



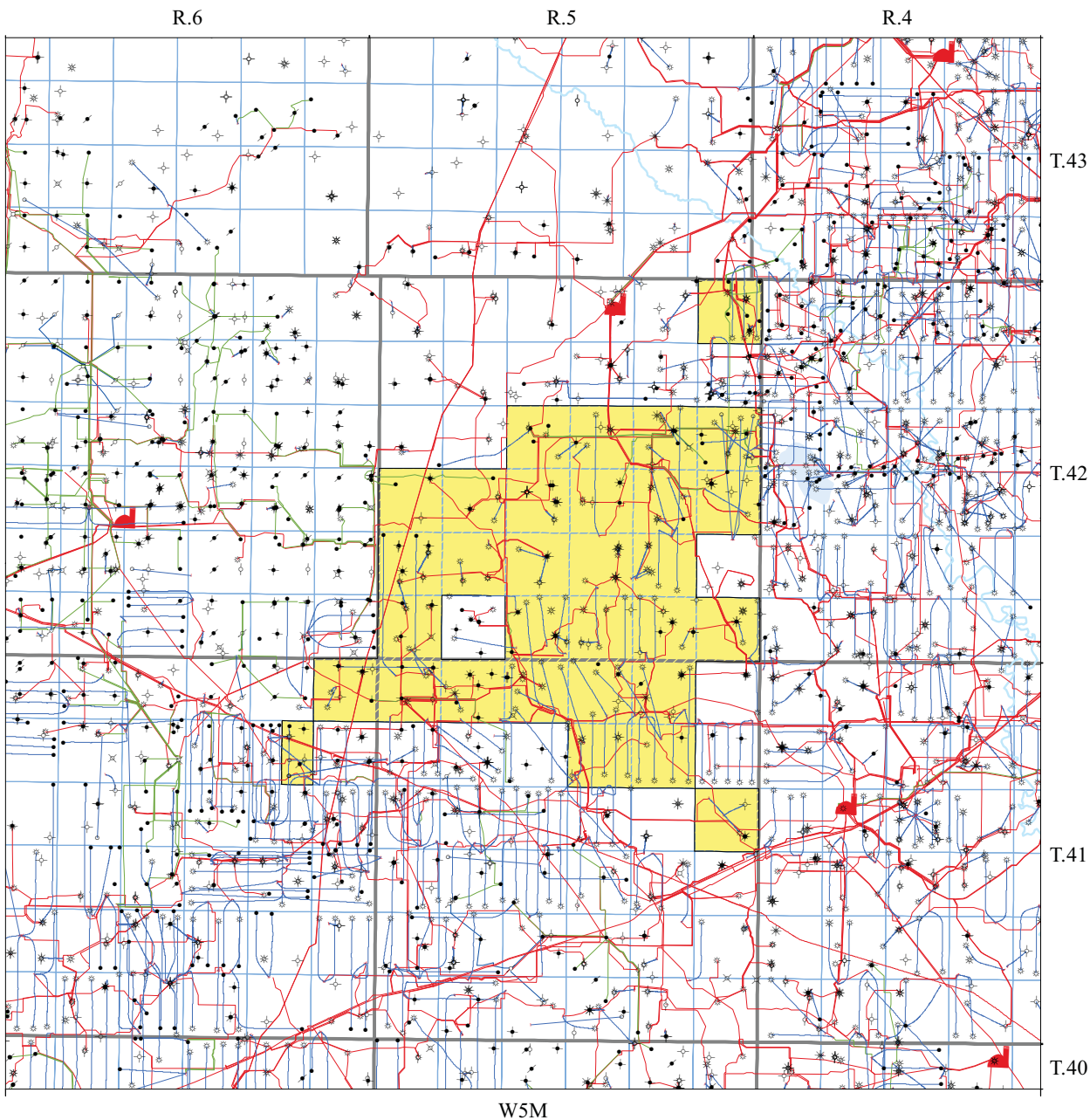
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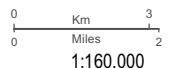
Map 3 Land Map

Company: Gain Energy Ltd.
Property: Open Creek

Effective Date: June 30, 2020
Project: s1202568/opcm01



W5M



Legend

Interest land



NAD 1983 UTM Zone 11N

Well Source: IHS (June 01, 2020)

Geologist:

Engineer:

\\shares\project\s1202568\Drafting\Mxd\opcm01_s1202568.mxd

Created by: mfong

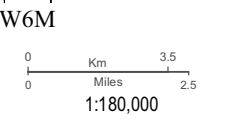
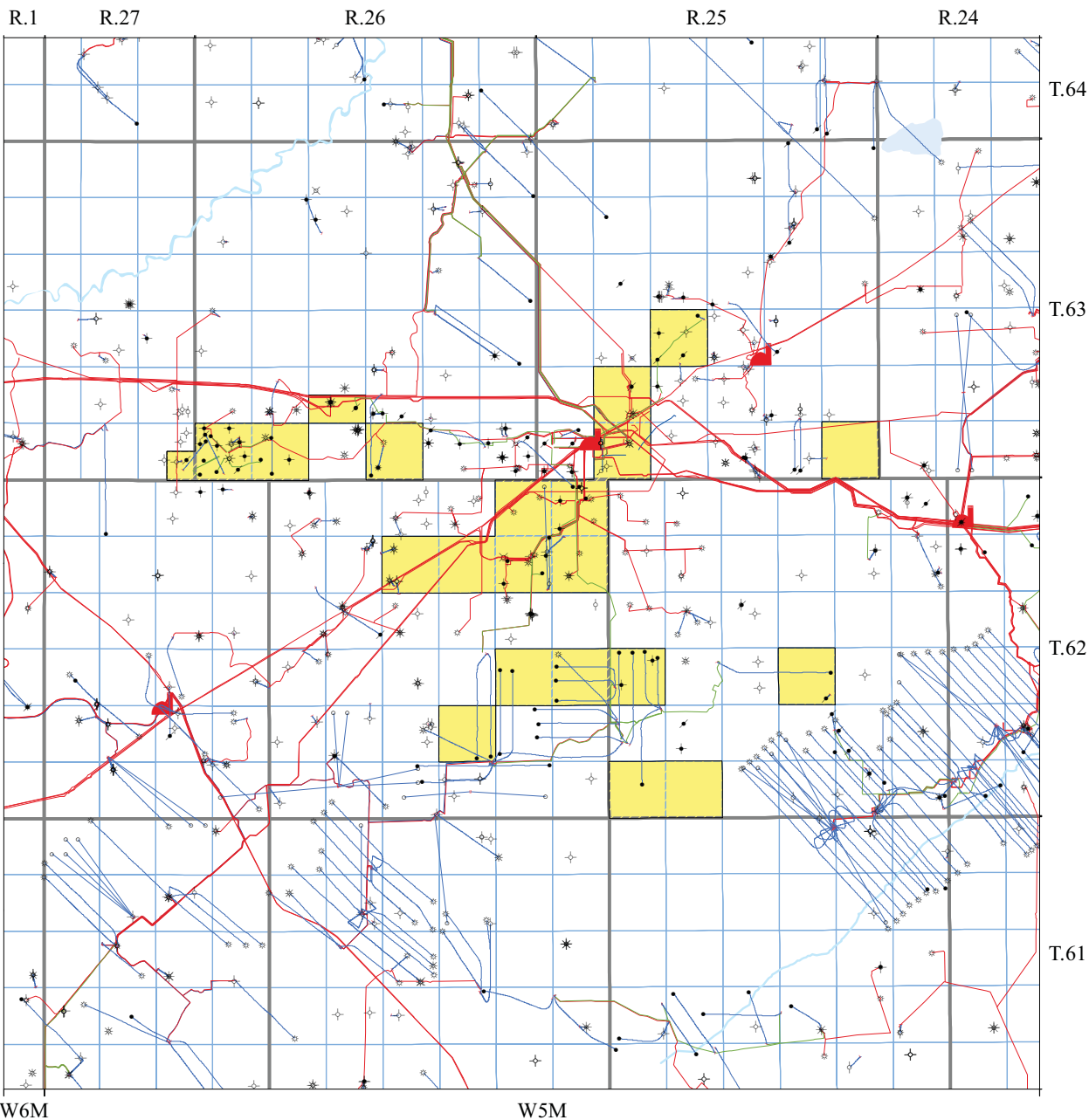
Created on: July 7, 2020



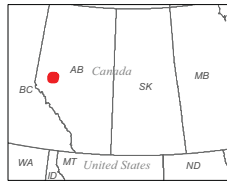
Map 4 Land Map

Company: Gain Energy Ltd.
Property: Simonette North Oil

Effective Date: June 30, 2020
Project: s1202568/simm01



Legend
 Interest Land



NAD 1983 UTM Zone 11N

Well Source: IHS (June 01, 2020)

Geologist:

Engineer:

\\shares\project\s1202568\Drafting\Mxd\sim01_s1202568.mxd

Created by: gdhillon

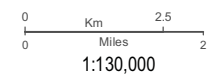
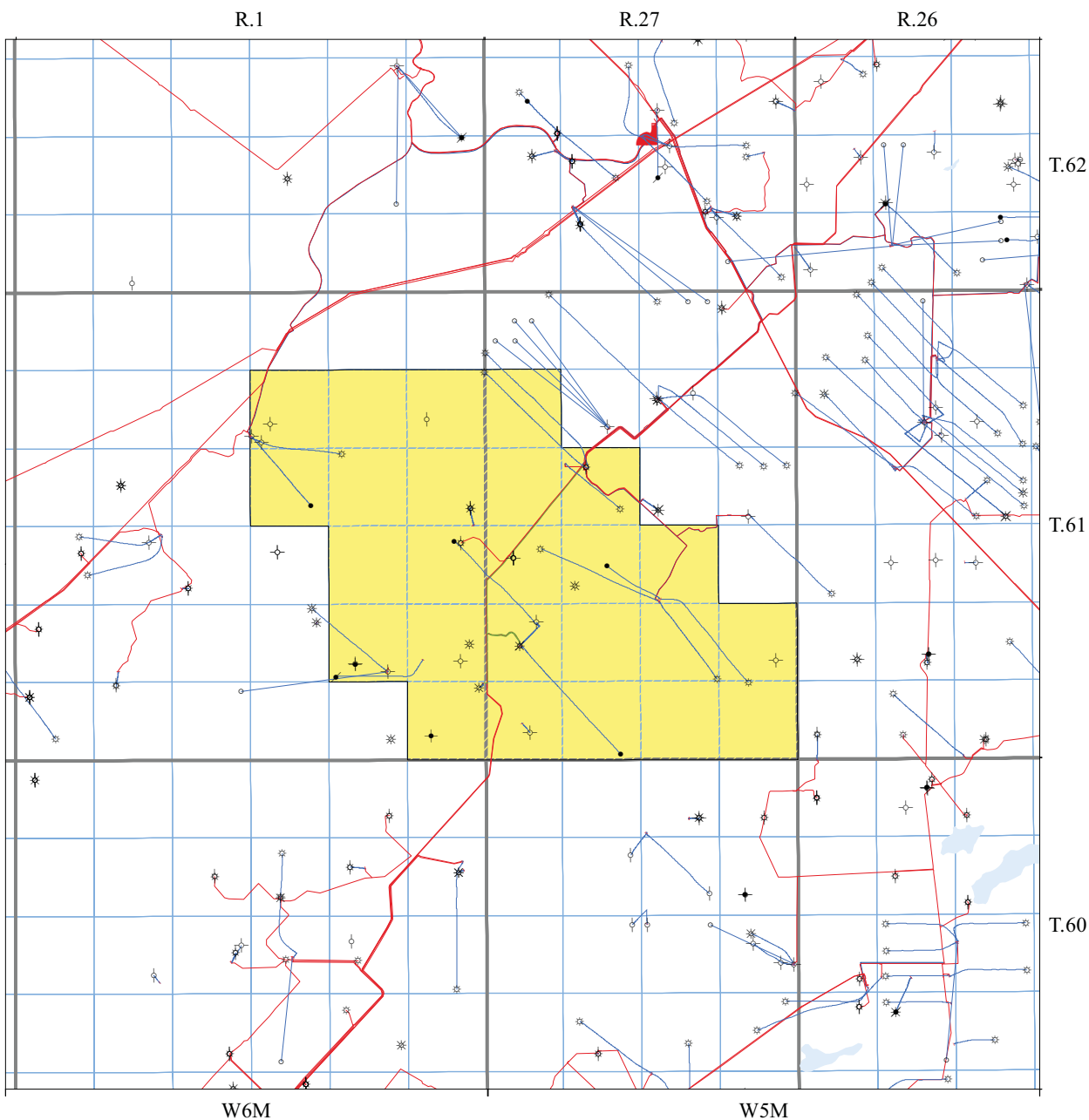
Created on: July 7, 2020



Map 5 Land Map

Company: Gain Energy Ltd.
Property: Simonette South Oil

Effective Date: June 30, 2020
Project: s1202568/sism01



Legend
 Interest land



NAD 1983 UTM Zone 11N

Well Source: IHS (June 01, 2020)

Geologist:

Engineer:

\\shares\project\s1202568\Drafting\Mxd\sism01_s1202568.mxd

Created by: staylor

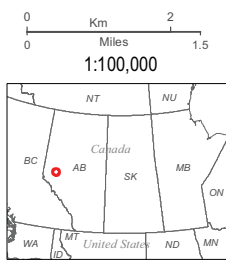
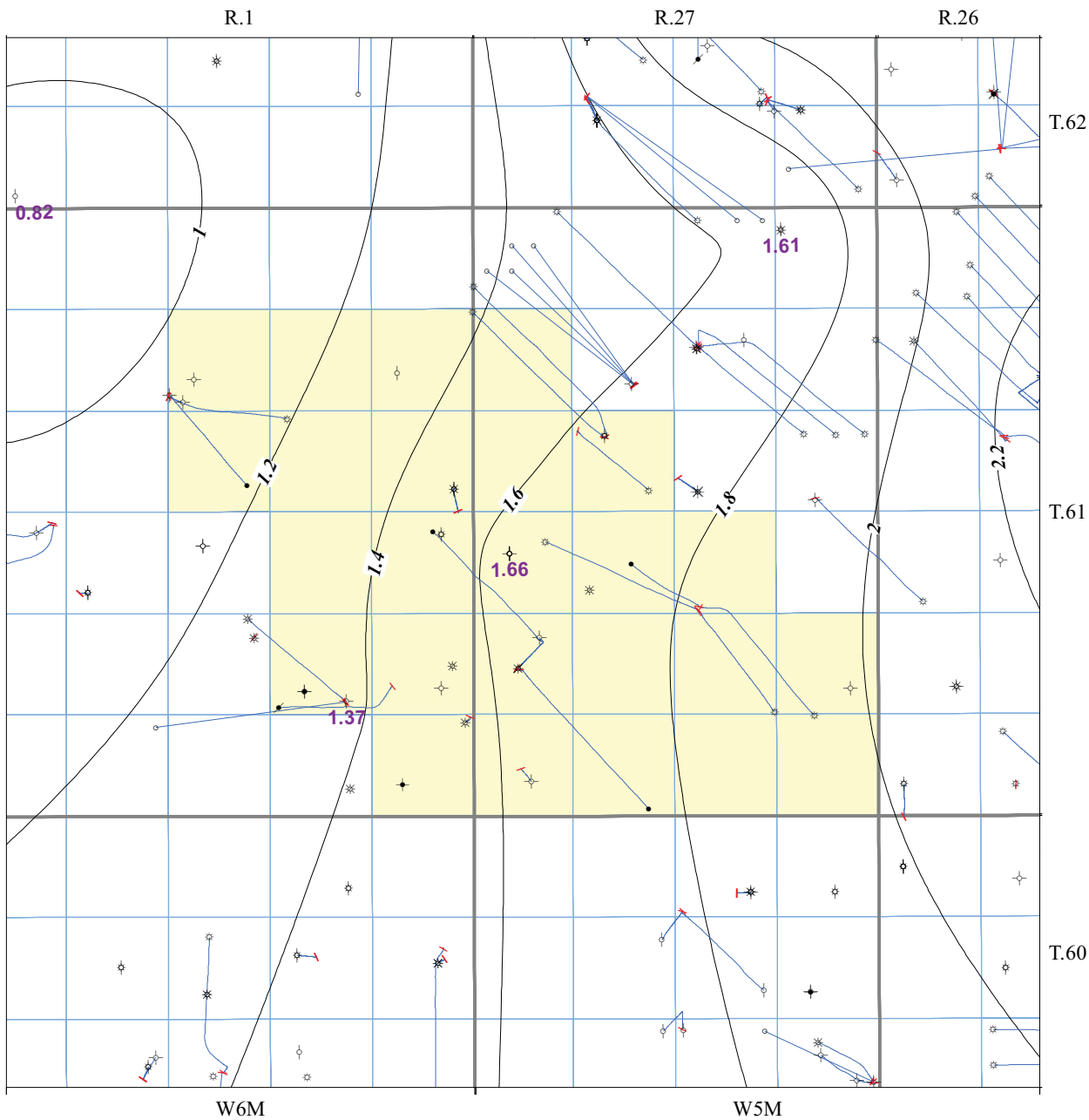
Created on: July 7, 2020



Map 6
 Pore Volume Map
 Lower Montney Formation
 Lower + Basal Members
 2% Ø Cutoff

Company: Gain Energy Ltd.
 Property: Simonette South Oil

Effective Date: June 30, 2020
 Project: s1202568/sism02



- Legend**
- Interest Land
 - $\Phi \times H$ (fracmetres)
 - Contour Interval = 0.2

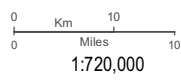
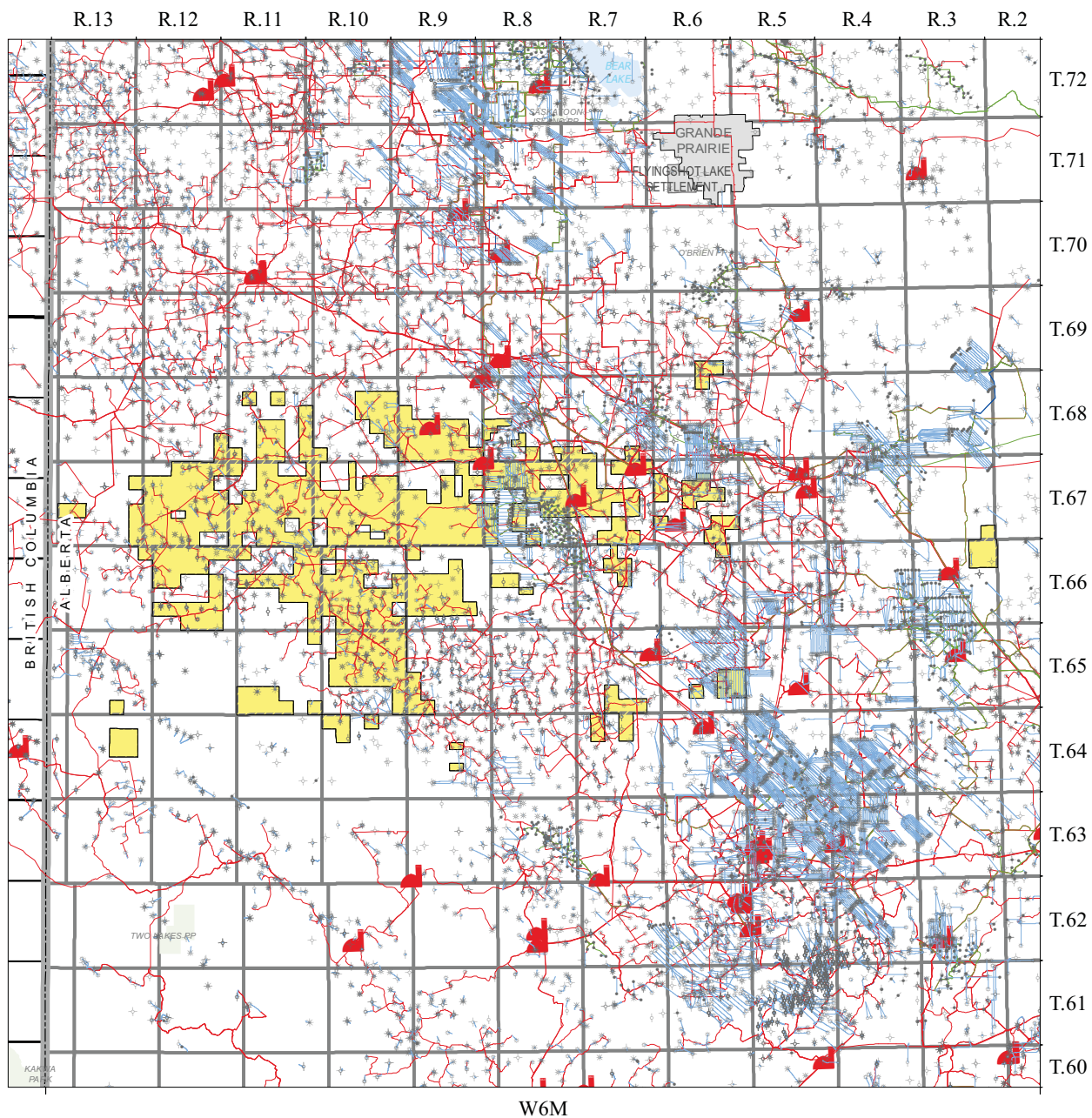
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 \\shares\project\s1202568\Drafting\Mxd\sism02_s1202568.mxd | Created by: staylor | Created on: July 7, 2020



Map 7 Land Map

Company: Gain Energy Ltd.
Property: Wapiti South

Effective Date: June 30, 2020
Project: s1202568/wasm01



Legend
 Interest Land



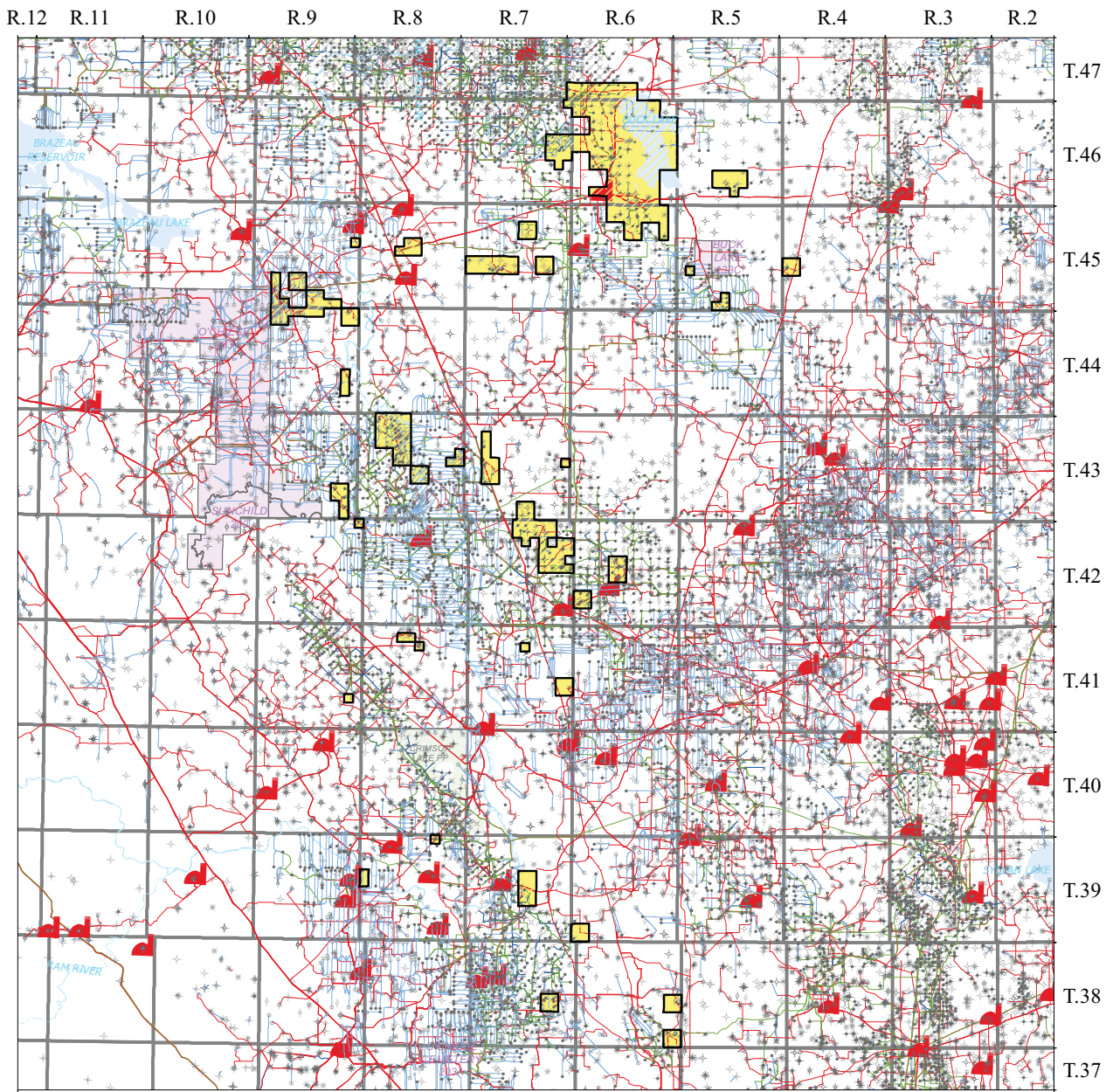
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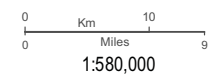
Map 8 Land Map

Company: Gain Energy Ltd.
Property: Willesden Green

Effective Date: June 30, 2020
Project: s1202568/wigm01



W5M



Legend

Interest Land



NAD 1983 UTM Zone 11N	Well Source: IHS (June 01, 2020)	Geologist:	Engineer:
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SUMMARY

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Company: Evaluation of Gain Energy Ltd. for i3 Energy Reserve Class: Various
Property: Corporate Development Class: Classifications
Description: Summary Pricing: Sproule (2020-06-30)
Effective Date: June 30, 2020

Table 1

Summary of Reserves and Values

	Proved Producing	Proved Developed Non- Producing	Proved Undeveloped	Total Proved	Total Probable	Proved Plus Probable Producing	Total Proved Plus Probable
MARKETABLE RESERVES							
Light & Medium Oil (Mbbbl)							
Total Company Interest	1,892	54	706	2,651	2,425	2,584	5,077
Working Interest	1,865	54	705	2,624	2,415	2,547	5,039
Net After Royalty	1,721	47	632	2,400	2,099	2,317	4,499
Tight Oil (Mbbbl)							
Total Company Interest	126	68	954	1,148	1,916	193	3,064
Working Interest	123	66	893	1,082	1,800	188	2,882
Net After Royalty	119	65	900	1,085	1,741	173	2,825
Total Oil (Mbbbl)							
Total Company Interest	2,020	143	1,659	3,822	4,343	2,780	8,165
Working Interest	1,990	141	1,598	3,729	4,217	2,737	7,946
Net After Royalty	1,843	131	1,532	3,506	3,841	2,493	7,348
Solution Gas (MMcf)							
Total Company Interest	7,326	234	2,525	10,085	9,393	10,225	19,478
Working Interest	7,214	234	2,525	9,973	9,350	10,070	19,323
Net After Royalty	6,633	206	2,381	9,220	8,528	9,260	17,748
Residue Gas (MMcf)							
Total Company Interest	60,281	8,820	39,537	108,637	55,421	76,774	164,058
Working Interest	58,708	8,767	39,537	107,012	54,864	74,665	161,876
Net After Royalty	55,950	8,126	37,227	101,303	51,559	71,364	152,862
Shale Gas (MMcf)							
Total Company Interest	864	237	3,270	4,371	6,664	1,350	11,035
Working Interest	821	232	3,178	4,232	6,470	1,287	10,702
Net After Royalty	822	224	3,107	4,153	6,301	1,271	10,454
Total Sales Gas (MMcf)							
Total Company Interest	68,479	9,294	45,333	123,106	71,479	88,359	194,585
Working Interest	66,753	9,237	45,241	121,230	70,685	86,032	191,915
Net After Royalty	63,413	8,560	42,715	114,688	66,388	81,902	181,076
Natural Gas Liquids (Mbbbl)							
Total Company Interest	4,966	274	3,055	8,296	4,882	6,428	13,178
Working Interest	4,859	269	3,052	8,180	4,842	6,289	13,021
Net After Royalty	4,175	224	2,781	7,180	4,244	5,456	11,424
Oil Equivalent (Mboe)							
Total Company Interest	18,400	1,966	12,270	32,636	21,138	23,934	53,774
Working Interest	17,975	1,949	12,190	32,114	20,839	23,365	52,953
Net After Royalty	16,587	1,782	11,433	29,801	19,150	21,599	48,951
BEFORE TAX PRESENT VALUE (M\$)							
0%	67,079	9,948	98,552	175,578	295,599	128,217	471,177
5%	81,488	8,670	64,324	154,482	184,205	122,904	338,686
8%	79,281	7,900	49,712	136,893	142,514	112,256	279,407
10%	76,856	7,416	41,811	126,083	121,574	105,525	247,657
12%	74,203	6,962	35,093	116,258	104,643	99,375	220,901
15%	70,201	6,339	26,803	103,343	84,827	91,268	188,170
20%	64,035	5,448	16,534	86,017	61,844	80,324	147,861

Table 1

Page 2

Summary of Reserves and Values

	Proved Producing	Proved Developed Non- Producing	Proved Undeveloped	Total Proved	Total Probable	Proved Plus Probable Producing	Total Proved Plus Probable
FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)							
2020 (6 Months)	9,924	54	-3,907	6,070	-2,376	10,428	3,695
2021	21,321	383	-15,355	6,349	4,914	23,322	11,262
2022	21,083	1,193	-13,266	9,010	7,809	23,894	16,820
2023	17,626	3,092	8,284	29,003	-15,001	20,917	14,001
2024	13,947	2,209	27,593	43,748	25,120	17,517	68,868
2025	-1,024	1,641	20,464	21,082	33,946	2,724	55,028

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: July 28, 2020 13:02:24

1202568 Class (A,B1,B2,C,F,G,I), Sproule (2020-06-30), psum

July 28, 2020 13:02:24





Table 2

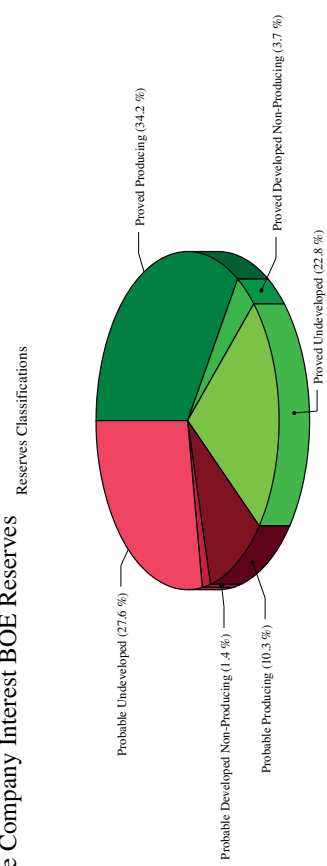
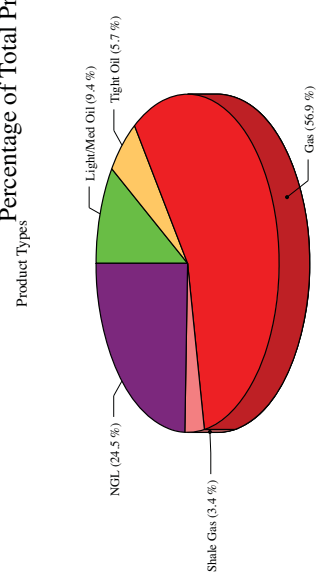
Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: Summary

Reserve Class: Various Classifications
 Development Class: Sproule (2020-06-30)
 Pricing: June 30, 2020
 Effective Date:

Company Production, Reserves and Present Value Summary

Entity Description	2020 Company Interest Prod'n					Company Interest Reserves					Net After Royalty Reserves			Reserve Life Index yrs	Before Income Tax Discounted Present Value (M\$)					
	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt		Oil Eq. Mboe	0%	5%	8%	10%	12%
Proved Producing	30,886	1,221	2,261	8,631	68,479	2,020	4,966	0	18,400	63,413	1,843	4,175	0	16,587	5.8	67,079	81,488	79,281	76,856	74,203
Proved Developed Non-Producing	294	13	37	99	9,294	143	274	0	1,966	8,560	131	224	0	1,782	54.4	9,948	8,670	7,900	7,416	6,962
Proved Undeveloped	2,326	0	137	525	45,333	1,659	3,055	0	12,270	42,715	1,532	2,781	0	11,433	64.1	98,552	64,324	49,712	41,811	35,093
Total Proved	33,506	1,235	2,434	9,254	123,106	3,822	8,296	0	32,636	114,688	3,506	7,180	0	29,801	9.7	175,578	154,482	136,893	126,083	116,258
Probable Producing	471	50	32	160	19,880	760	1,461	0	5,534	18,489	650	1,280	0	5,012	94.5	61,138	41,416	32,975	28,670	25,172
Probable Developed Non-Producing	169	0	11	40	3,561	49	136	0	779	3,285	46	114	0	708	53.6	5,575	4,265	3,650	3,305	3,005
Probable Undeveloped	1,244	46	92	345	48,039	3,534	3,285	0	14,825	44,614	3,145	2,849	0	13,430	117.7	228,885	138,524	105,889	89,600	76,466
Total Probable	1,884	96	135	545	71,479	4,343	4,882	0	21,138	66,388	3,841	4,244	0	19,150	106.2	295,599	184,205	142,514	121,574	104,643
Proved Plus Probable Producing	31,357	1,272	2,293	8,791	88,359	2,780	6,428	0	23,934	81,902	2,493	5,456	0	21,599	7.5	128,217	122,904	112,256	105,525	99,375
Proved Plus Probable Developed Non-Producing	464	14	48	139	12,855	192	410	0	2,745	11,845	177	338	0	2,489	54.1	15,523	12,935	11,550	10,721	9,967
Proved Plus Probable Undeveloped	3,570	46	229	870	93,372	5,193	6,340	0	27,095	87,329	4,678	5,650	0	24,862	85.3	327,436	202,848	155,601	131,411	111,559
Total Proved Plus Probable	35,390	1,331	2,569	9,800	194,585	8,165	13,178	0	53,774	181,076	7,348	11,424	0	48,951	15.0	471,177	338,686	279,407	247,657	220,901

Reserves Characterization Percentage of Total Proved Plus Probable Company Interest BOE Reserves



BOE Factors:

BOE Factor	Value	BOE Factor	Value
HVY OIL	1.0	RES GAS	6.0
COND	1.0	SLN GAS	6.0
		PROPANE	1.0
		BUTANE	1.0
		ETHANE	1.0
		SULPHUR	0.0

Class (A,B1,B2,C,D,E1,E2,F,G,H1,H2,I), Sproule (2020-06-30), crv

1202568

Historical and Forecast Production

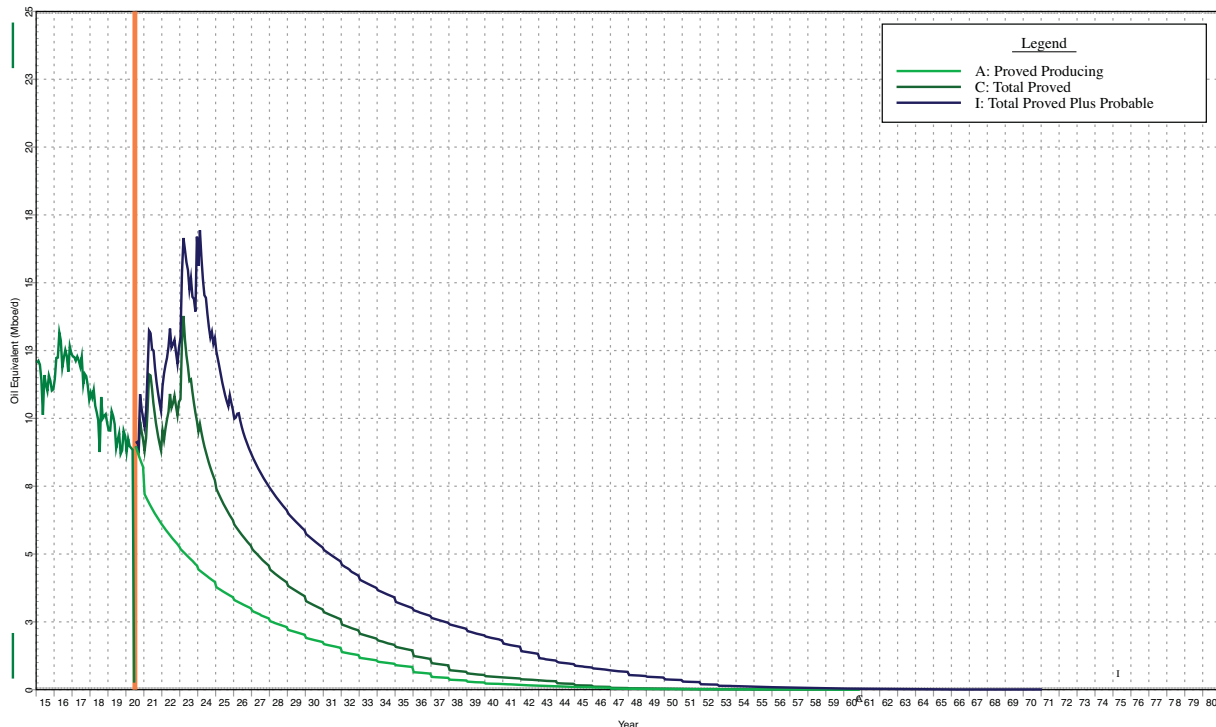
Company:
Property:
Description:

Evaluation of Gain Energy Ltd. for i3 Energy
Corporate
Summary

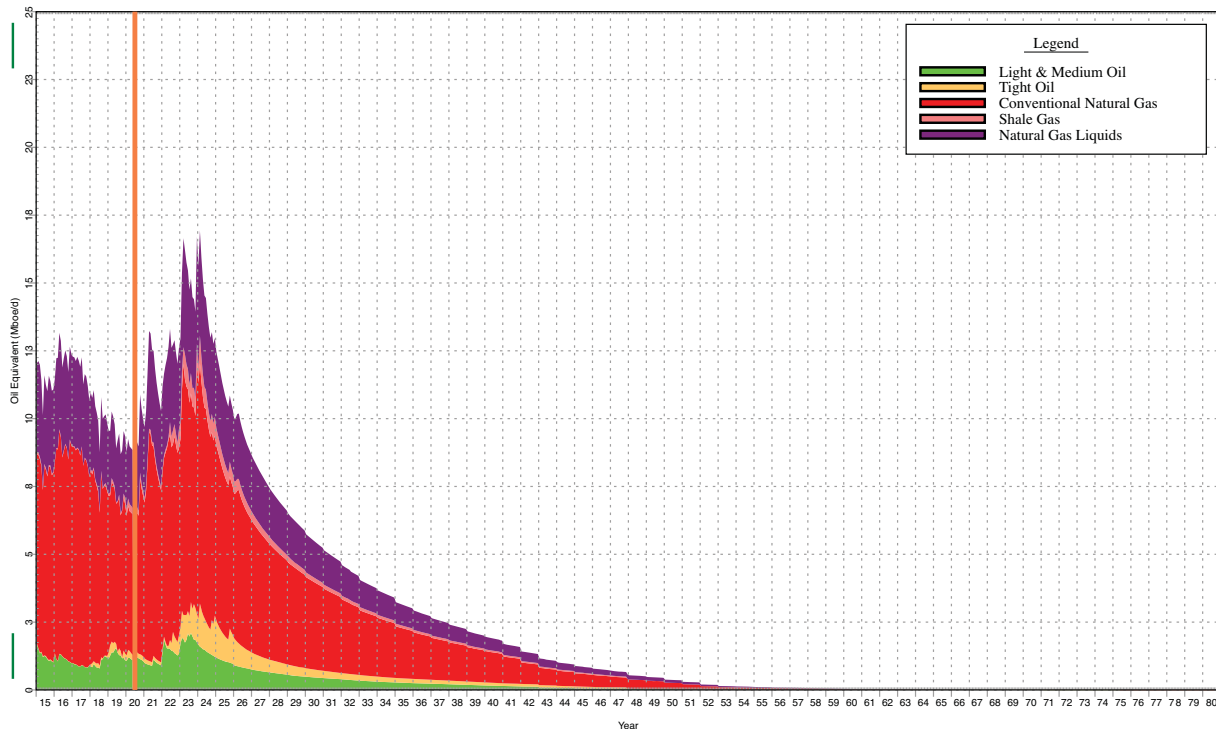
Pricing:
Effective Date:

Sproule (2020-06-30)
June 30, 2020

Company* Interest Oil Equivalent



Company* Interest Oil Equivalent - Total Proved Plus Probable



*Note: Historical company interest production is based on current interests in the evaluated reserves entities applied to reported actual gross lease production. Consequently, company actuals may differ from the history shown due to changes in ownership.



Historical and Forecast Production

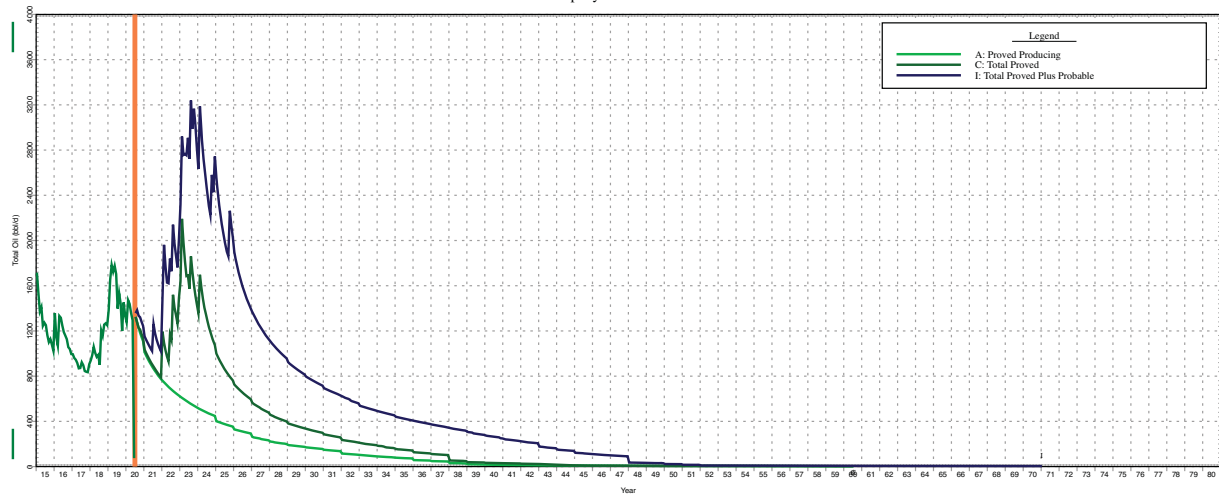
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Property:
Description:

Evaluation of Gain Energy Ltd. for i3 Energy
Corporate
Summary

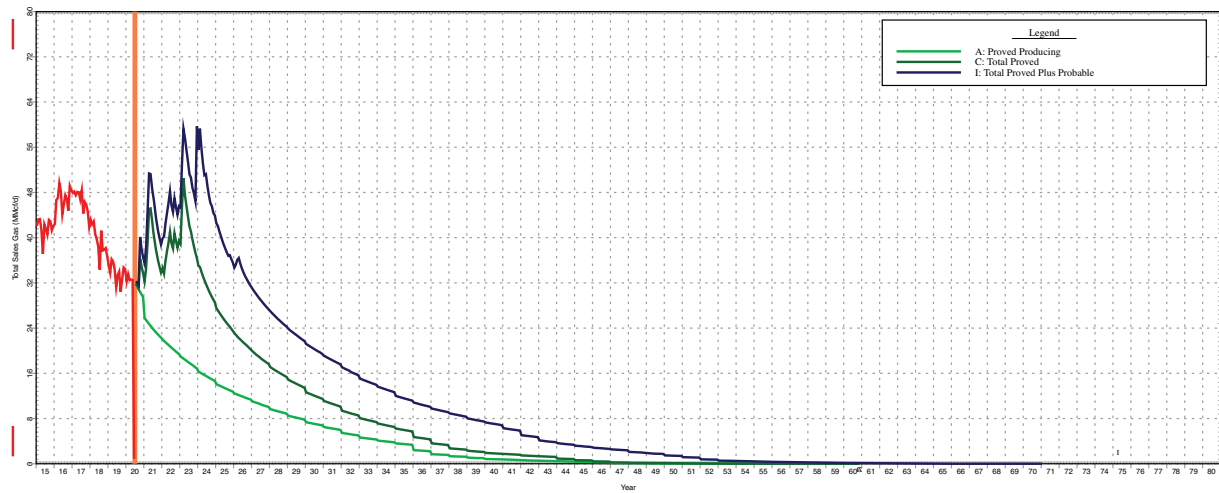
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Effective Date:

Sproule (2020-06-30)
June 30, 2020

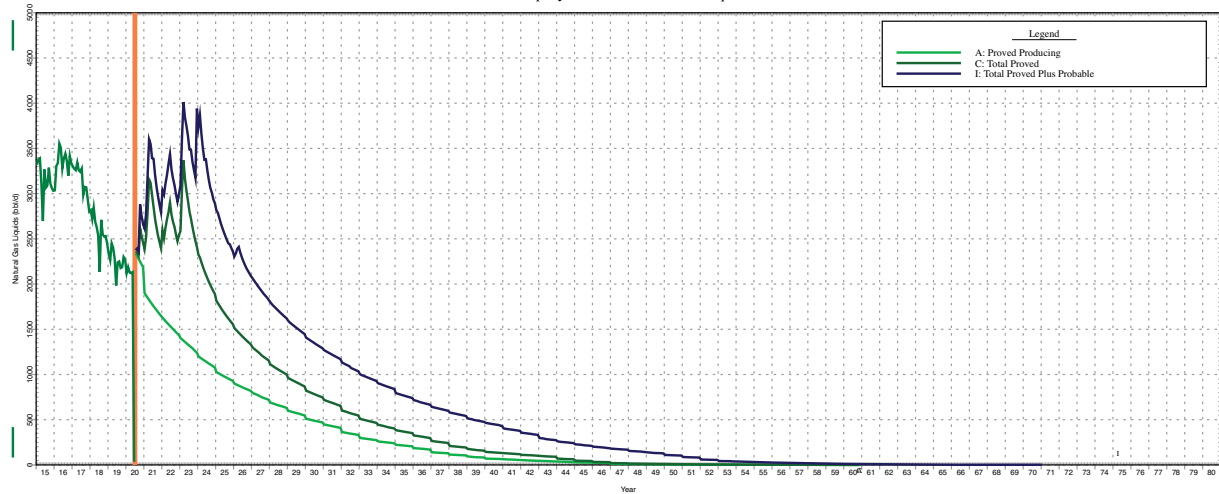
Company* Interest Total Oil



Company* Interest Total Sales Gas



Company* Interest Natural Gas Liquids



*Note: Historical company interest production is based on current interests in the evaluated reserves entities applied to reported actual gross lease production. Consequently, company actuals may differ from the history shown due to changes in ownership.



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Proved Developed Non-Producing	64
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Total Proved Non-Producing	80
Total Proved	88

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: Summary

Reserve Class: Various
 Development Class: Classifications
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Summary of Reserves and Values

	Proved Producing	Proved Developed Non-Producing	Proved Undeveloped	Total Proved Non-Producing	Total Proved
MARKETABLE RESERVES					
Light & Medium Oil (Mbbbl)					
Total Company Interest	1,892	54	706	760	2,651
Working Interest	1,865	54	705	759	2,624
Net After Royalty	1,721	47	632	679	2,400
Tight Oil (Mbbbl)					
Total Company Interest	126	68	954	1,022	1,148
Working Interest	123	66	893	959	1,082
Net After Royalty	119	65	900	965	1,085
Total Oil (Mbbbl)					
Total Company Interest	2,020	143	1,659	1,802	3,822
Working Interest	1,990	141	1,598	1,739	3,729
Net After Royalty	1,843	131	1,532	1,664	3,506
Solution Gas (MMcf)					
Total Company Interest	7,326	234	2,525	2,759	10,085
Working Interest	7,214	234	2,525	2,759	9,973
Net After Royalty	6,633	206	2,381	2,587	9,220
Residue Gas (MMcf)					
Total Company Interest	60,281	8,820	39,537	48,357	108,637
Working Interest	58,708	8,767	39,537	48,304	107,012
Net After Royalty	55,950	8,126	37,227	45,353	101,303
Shale Gas (MMcf)					
Total Company Interest	864	237	3,270	3,507	4,371
Working Interest	821	232	3,178	3,411	4,232
Net After Royalty	822	224	3,107	3,331	4,153
Total Sales Gas (MMcf)					
Total Company Interest	68,479	9,294	45,333	54,627	123,106
Working Interest	66,753	9,237	45,241	54,477	121,230
Net After Royalty	63,413	8,560	42,715	51,274	114,688
Natural Gas Liquids (Mbbbl)					
Total Company Interest	4,966	274	3,055	3,329	8,296
Working Interest	4,859	269	3,052	3,320	8,180
Net After Royalty	4,175	224	2,781	3,005	7,180
Oil Equivalent (Mboe)					
Total Company Interest	18,400	1,966	12,270	14,236	32,636
Working Interest	17,975	1,949	12,190	14,139	32,114
Net After Royalty	16,587	1,782	11,433	13,215	29,801
BEFORE TAX PRESENT VALUE (M\$)					
0%	67,079	9,948	98,552	108,499	175,578
5%	81,488	8,670	64,324	72,994	154,482
8%	79,281	7,900	49,712	57,612	136,893
10%	76,856	7,416	41,811	49,227	126,083
12%	74,203	6,962	35,093	42,055	116,258
15%	70,201	6,339	26,803	33,142	103,343
20%	64,035	5,448	16,534	21,982	86,017
FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)					
2020 (6 Months)	9,924	54	-3,907	-3,853	6,070
2021	21,321	383	-15,355	-14,972	6,349
2022	21,083	1,193	-13,266	-12,073	9,010
2023	17,626	3,092	8,284	11,376	29,003
2024	13,947	2,209	27,593	29,801	43,748
2025	-1,024	1,641	20,464	22,106	21,082

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: July 28, 2020 13:02:23

1202568 Class (A,B1,B2,B,C), Sproule (2020-06-30), psum

July 28, 2020 14:21:31





Company Production, Reserves and Present Value Summary

Entity Description	2020 Company Interest Prod'n						Company Interest Reserves						Net After Royalty Reserves						Reserve Life Index yrs	Discounted Present Value (M\$)				
	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcfd	Oil Mbbl	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MMcfd	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe	0%	5%	8%		10%	12%			
Proved Developed/Non-Producing (Cont.)																								
Medicine River	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0				
Musktrat	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0				
Nipisi	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0				
Open Creek	44	0	0	10	267	0	0	0	61	246	0	14	0	0	55	16.7	136	162	164	158				
Pembina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0				
Rimbey	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0				
Simonette GORR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0				
Simonette Minor	0	0	0	0	39	14	1	0	22	35	14	1	0	0	21	3.4	131	137	131	119				
Simonette North Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0				
Simonette North Oil	0	0	0	0	379	78	18	0	159	344	69	15	0	0	141	7.2	3,049	2,459	2,174	1,858				
Simonette South Oil	30	13	0	19	50	23	0	0	31	48	22	0	0	0	30	4.6	737	664	626	582				
Sunchild	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0				
Sylvan Lake	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0				
Wanyandie	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	70	69	69	68				
Wapiti Elmworth	0	0	0	0	272	0	18	0	64	233	0	14	0	0	53	5.8	117	123	121	114				
Wapiti South	9	0	1	2	535	0	48	0	137	500	0	42	0	125	160.9	764	646	586	517					
Wapiti South GORR	0	0	0	0	8	0	1	0	2	8	0	1	0	2	7.2	26	19	16	15	13				
Willisten Green	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Wilson Creek	212	0	33	68	613	0	95	0	197	580	0	82	0	178	7.9	547	516	480	455	431				
CGU 1 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0				
CGU 2 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0				
Total: Proved Developed Non-Producing	294	13	37	99	9,294	143	274	0	1,966	8,560	131	224	0	1,782	9,948	8,670	7,900	7,416	6,962					
Proved Undeveloped																								
Carrot Creek	0	0	0	0	128	54	15	0	90	121	51	14	0	86	3.7	608	345	227	162	108				
Cynthia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Edson GORR	0	0	0	0	805	0	21	0	155	755	0	18	0	144	4.7	485	244	140	83	35				
Edson Non-Unit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Edson Unit	0	0	0	0	434	126	69	0	267	410	116	63	0	247	2.5	642	290	122	29	-51				
Elmworth	0	0	0	0	47	57	4	0	70	44	53	4	0	65	7.7	1,567	1,030	801	678	574				
Elmworth Sour	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Gilby	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Kaybob	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Leedale	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Medicine River	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Musktrat	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Nipisi	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Open Creek	0	0	0	0	27,027	0	1,694	0	6,198	25,517	0	1,564	0	5,817	9.1	33,704	20,211	14,536	11,503	8,951				
Pembina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Rimbey	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Simonette GORR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Simonette Minor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Simonette North Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Simonette North Oil	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Simonette South Oil	0	0	0	0	3,270	954	128	0	1,626	3,107	900	120	0	1,538	10.3	23,621	16,430	13,105	11,238	9,610				
Sunchild	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				
Sylvan Lake	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0				

Company Production, Reserves and Present Value Summary

Entity Description	2020 Company Interest Prod'n				Company Interest Reserves						Net After Royalty Reserves				Reserve Life Index				Discounted Present Value (M\$)				Before Income Tax	
	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Sulphur Mlt	Oil Eq. Mboe	Gas MMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Sulphur Mlt	Oil Eq. Mboe	Reserve yrs	Index	0%	5%	8%	10%		12%
Proved Undeveloped (Cont.)																								
Wanyandie	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Wapiti Elmworth	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Wapiti South	0	0	0	0	6,143	468	685	0	2,176	5,765	412	615	0	1,987	0	1,987	13.3	17,742	17,742	14,581	12,887	11,452	0	0
Wapiti South GORR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Willenden Green	2,326	0	137	525	7,479	0	440	0	1,687	6,994	0	383	0	1,549	0	1,549	8.8	8,032	8,032	6,200	5,230	4,414	0	0
Wilson Creek	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
CGU 1 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
CGU 2 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Total: Proved Undeveloped	2,326	0	137	525	45,333	1,659	3,055	0	12,270	42,715	1,532	2,781	0	11,433	0	11,433		98,552	64,324	49,712	41,811	35,093	0	0
Total Proved Non-Producing																								
Carrot Creek	0	0	0	0	128	54	15	0	90	121	51	14	0	0	0	86	3.7	608	345	227	162	108	0	0
Cynthia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Edson GORR	0	0	0	0	805	0	21	0	155	755	0	18	0	144	0	144	4.7	485	244	140	83	35	0	0
Edson Non-Unit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Edson Unit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Elmworth	0	0	0	0	474	128	73	0	280	444	117	66	0	257	0	257	30.2	547	235	84	-1	-74	0	0
Elmworth Sour	0	0	0	0	7,134	64	75	0	1,328	6,572	60	55	0	1,210	0	1,210	13.7	5,857	4,773	4,191	3,842	3,525	0	0
Gilby	0	0	0	0	4	21	0	0	21	4	19	0	0	20	0	20	10.0	176	186	183	179	174	0	0
Kaybob	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Leedale	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Medicine River	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Musktrat	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Nipisi	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Open Creek	44	0	3	10	27,294	0	1,711	0	6,260	25,764	0	1,578	0	5,872	0	5,872	999.9	33,840	20,373	14,699	11,665	9,109	0	0
Pembina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Rimbey	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Simonette GORR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Simonette Minor	0	0	0	0	39	14	1	0	22	35	14	1	0	21	0	21	3.4	131	137	131	125	119	0	0
Simonette North Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Simonette North Oil	0	0	0	0	379	78	18	0	159	344	69	15	0	141	0	141	7.2	3,049	2,459	2,174	2,008	1,858	0	0
Simonette South Oil	30	13	0	19	3,321	976	128	0	1,658	3,155	922	120	0	1,568	0	1,568	243.1	24,359	17,094	13,732	11,841	10,192	0	0
Sunchild	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Sylvan Lake	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Wanyandie	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Wapiti Elmworth	0	0	0	0	272	0	18	0	64	233	0	14	0	53	0	53	5.8	117	123	121	118	114	0	0
Wapiti South	9	0	1	2	6,678	468	732	0	2,313	6,266	412	657	0	2,113	0	2,113	999.9	26,140	18,388	15,166	13,437	11,969	0	0
Wapiti South GORR	0	0	0	0	8	0	1	0	2	8	0	1	0	2	0	2	7.2	26	19	16	15	13	0	0
Willenden Green	2,326	0	137	525	7,479	0	440	0	1,687	6,994	0	383	0	1,549	0	1,549	8.8	8,032	8,032	6,200	5,230	4,414	0	0
Wilson Creek	212	0	33	68	613	0	95	0	197	580	0	82	0	178	0	178	7.9	547	516	480	455	431	0	0
CGU 1 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
CGU 2 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0
Total: Total Proved Non-Producing	2,620	13	174	624	54,627	1,802	3,329	0	14,236	51,274	1,664	3,005	0	13,215	0	13,215		108,499	72,994	57,612	49,227	42,055	0	0
Total Proved																								
Carrot Creek	19	0	3	6	23	1	3	0	8	22	1	3	0	7	0	7	3.4	62	60	59	57	56	0	0



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Company Production, Reserves and Present Value Summary

Entity Description	2020 Company Interest Prod'n												Company Interest Reserves						Net After Royalty Reserves						Reserve Life Index						Before Income Tax									
	Oil			NGL			Gas			Oil Eq.			Mbbbl			Mbl			Oil			Mbl			Mbl			Mbl			Discounted Present Value (M\$)									
	bbl/d	bbl/d	bbl/d	boe/d	MMcf	MMcf	MMcf	MMcf	MMcf	MMcf	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	Mbl	0%	5%	8%	10%	12%						
Total Proved (Cont.)																																								
Cynthia	118	16	14	50	453	85	53	0	213	427	82	47	0	200	11.8	964	863	793	726																					
Edson GORR	33	0	3	9	91	0	9	0	24	91	0	9	0	24	7.5	678	458	421	389																					
Edson Non-Unit	2,132	3	56	415	5,711	17	150	0	1,119	5,335	17	120	0	1,026	7.4	6,533	4,882	4,543	4,238																					
Edson Unit	2,177	0	25	388	7,637	0	88	0	1,361	7,255	0	69	0	1,278	9.6	2,154	2,309	2,125	2,028																					
Elmworth	1,494	139	181	570	2,598	353	331	0	1,117	2,255	318	267	0	961	5.4	8,073	7,162	6,307	6,002																					
Elmworth Sour	265	44	25	113	7,620	141	120	0	1,532	7,032	133	95	0	1,400	37.1	7,918	6,247	5,825	5,432																					
Gilby	1,370	37	81	347	1,415	91	87	0	414	1,299	88	67	0	372	3.3	-7,049	-3,608	-2,023	-1,642																					
Kaybob	43	5	1	14	51	6	2	0	16	51	2	0	0	16	3.2	583	509	473	452																					
Leedale	1,006	82	46	295	2,204	163	98	0	628	2,044	157	83	0	581	5.8	3,833	4,981	4,936	4,680																					
Medicine River	823	95	66	297	1,073	195	99	0	473	1,000	191	79	0	436	4.4	2,248	2,454	2,425	2,384																					
Muskat	46	47	1	55	51	95	1	0	104	47	86	1	0	95	5.2	1,261	1,171	1,093	1,041																					
Nippisi	50	60	7	76	68	80	10	0	102	61	78	7	0	95	3.7	-10	121	169	192	209																				
Open Creek	4,834	0	303	1,109	38,514	0	2,414	0	8,833	36,039	0	2,154	0	8,160	21.8	55,380	38,031	30,372	26,199	22,640																				
Pembina	56	11	3	23	70	24	3	0	39	69	23	3	0	38	4.7	866	759	695	621																					
Rimbeay	2,038	31	297	668	6,543	178	953	0	2,222	6,095	145	830	0	1,991	9.1	7,127	7,132	6,596	6,231																					
Simonette GORR	447	1	8	84	401	1	6	0	74	401	1	6	0	74	2.4	951	798	730	691																					
Simonette Minor	0	0	0	0	39	14	1	0	22	35	14	1	0	21	3.4	131	137	131	125																					
Simonette North Gas	1,337	0	49	272	4,196	0	154	0	854	3,843	0	121	0	762	8.6	1,547	2,533	2,585	2,459																					
Simonette North Oil	1,058	283	51	510	1,595	471	77	0	814	1,448	402	62	0	705	4.4	11,159	10,487	9,856	9,429																					
Simonette South Oil	961	164	37	361	4,126	1,101	159	0	1,948	3,920	1,040	150	0	1,843	14.8	25,215	18,636	15,530	13,767																					
Sunchild	47	0	2	10	62	0	3	0	14	62	0	3	0	14	3.6	352	295	270	243																					
Sylvan Lake	568	7	32	134	1,910	23	109	0	450	1,679	19	80	0	379	9.2	3,255	2,338	1,995	1,820																					
Wanyandie	212	0	18	53	358	0	30	0	90	334	0	25	0	80	4.6	245	229	217	201																					
Wapiti Elmworth	35	0	2	8	319	0	21	0	75	277	0	17	0	63	25.0	38	68	76	79																					
Wapiti South	6,128	163	550	1,734	20,223	699	1,947	0	6,017	18,855	624	1,704	0	5,471	9.5	37,281	30,963	27,270	25,122																					
Wapiti South GORR	362	2	29	91	787	1	63	0	195	787	1	63	0	195	5.9	2,051	1,542	1,338	1,138																					
Wilkesden Green	3,708	29	216	863	10,503	55	615	0	2,421	9,723	54	528	0	2,202	7.7	9,257	8,343	7,470	6,898																					
Wilson Creek	2,138	17	328	701	4,466	28	687	0	1,459	4,204	27	586	0	1,314	5.7	4,182	4,412	4,320	4,108																					
CGU 1 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	-3,979	-414	-143	-64																					
CGU 2 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	-6,787	-831	-373	-234																					
Total: Total Proved	33,506	1,235	2,434	9,254	123,106	3,822	8,296	0	32,636	114,688	3,506	7,180	0	29,801	175,578	154,482	136,893	126,083	116,258																					

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Class (A,B1,B2,B C), Sproule (2020-06-30), crv

Company: **Evaluation of Gain Energy Ltd. for i3 Energy**
 Property: **Corporate**
 Description: **Summary**

Reserve Class: **Proved**
 Development Class: **Producing**
 Pricing: **Sproule (2020-06-30)**
 Effective Date: **June 30, 2020**

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily	Yearly			Daily	Yearly			Daily	Yearly		
			bbl/d	Mbbl	Mbbl	\$/bbl	bbl/d	Mbbl	Mbbl	\$/bbl	bbl/d	Mbbl	Mbbl	\$/bbl
2020	103	194	1,054	192	178	43.32	158	29	27	41.64	1,221	223	207	43.05
2021	66	136	789	288	264	49.41	92	34	32	47.64	882	322	296	49.22
2022	65	136	632	231	208	59.73	58	21	20	58.04	689	252	228	59.59
2023	64	132	528	193	172	64.75	41	15	14	63.12	568	207	187	64.63
2024	60	125	450	164	149	65.97	31	11	11	64.38	481	176	159	65.87
2025	53	118	352	128	117	67.14	25	9	8	65.67	377	137	125	67.04
2026	48	115	290	106	97	68.78	20	7	7	66.98	310	113	104	68.66
2027	44	114	246	90	81	70.14	0	0	0	0.00	246	90	81	70.14
2028	39	109	210	77	70	71.41	0	0	0	0.00	210	77	70	71.41
2029	34	103	183	67	61	72.71	0	0	0	0.00	183	67	61	72.71
2030	31	92	163	59	55	74.18	0	0	0	0.00	163	59	55	74.18
2031	29	85	142	52	48	75.57	0	0	0	0.00	142	52	48	75.57
2032	22	77	111	40	37	77.91	0	0	0	0.00	111	40	37	77.91
2033	19	69	97	35	32	79.80	0	0	0	0.00	97	35	32	79.80
2034	17	65	85	31	29	81.27	0	0	0	0.00	85	31	29	81.27
2035	16	59	75	27	25	83.09	0	0	0	0.00	75	27	25	83.09
2036	12	48	56	20	19	85.22	0	0	0	0.00	56	20	19	85.22
2037	10	30	47	17	16	87.00	0	0	0	0.00	47	17	16	87.00
2038	6	26	30	11	10	89.08	0	0	0	0.00	30	11	10	89.08
2039	4	23	20	7	7	90.82	0	0	0	0.00	20	7	7	90.82
2040	2	17	16	6	5	92.53	0	0	0	0.00	16	6	5	92.53
2041	2	17	14	5	5	94.45	0	0	0	0.00	14	5	5	94.45
2042	2	13	13	5	4	96.37	0	0	0	0.00	13	5	4	96.37
2043	1	12	10	4	3	100.67	0	0	0	0.00	10	4	3	100.67
2044	1	11	9	3	3	102.66	0	0	0	0.00	9	3	3	102.66
2045	1	9	9	3	3	104.71	0	0	0	0.00	9	3	3	104.71
2046	1	6	8	3	2	106.74	0	0	0	0.00	8	3	2	106.74
2047	1	3	7	3	2	108.85	0	0	0	0.00	7	3	2	108.85
2048	1	2	7	3	2	111.08	0	0	0	0.00	7	3	2	111.08
2049	1	2	6	2	2	113.30	0	0	0	0.00	6	2	2	113.30
2050	1	1	6	2	2	115.56	0	0	0	0.00	6	2	2	115.56
2051	1	1	6	2	2	117.86	0	0	0	0.00	6	2	2	117.86
2052	1	1	6	2	2	120.21	0	0	0	0.00	6	2	2	120.21
2053	1	0	5	2	2	122.61	0	0	0	0.00	5	2	2	122.61
2054	1	0	5	2	2	125.06	0	0	0	0.00	5	2	2	125.06
2055	1	0	5	2	1	127.55	0	0	0	0.00	5	2	1	127.55
2056	1	0	4	2	1	130.10	0	0	0	0.00	4	2	1	130.10
2057	1	0	4	2	1	132.69	0	0	0	0.00	4	2	1	132.69
2058	1	0	4	1	1	135.34	0	0	0	0.00	4	1	1	135.34
2059	1	0	4	1	1	138.04	0	0	0	0.00	4	1	1	138.04
2060	0	0	2	1	1	142.47	0	0	0	0.00	2	1	1	142.47
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				1,892	1,721	64.58		126	119	53.77		2,020	1,843	63.88
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				1,892	1,721	64.58		126	119	53.77		2,020	1,843	63.88

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	4,513	824	738	2.03	25,250	4,608	4,237	2.23	1,076	196	186	2.14
2021	3,409	1,244	1,115	2.21	19,934	7,276	6,683	2.39	601	219	209	2.36
2022	2,717	992	890	2.48	17,563	6,410	5,890	2.63	387	141	134	2.61
2023	2,204	804	722	2.54	15,437	5,635	5,183	2.69	280	102	97	2.66
2024	1,774	647	583	2.60	13,523	4,936	4,543	2.74	217	79	75	2.71
2025	1,448	529	476	2.64	11,785	4,301	3,966	2.80	175	64	61	2.77
2026	1,191	435	391	2.69	10,552	3,852	3,555	2.85	146	53	51	2.82
2027	959	350	321	2.75	9,566	3,491	3,284	2.91	6	2	2	2.81
2028	767	280	259	2.81	8,510	3,106	2,924	2.97	3	1	1	2.87
2029	633	231	215	2.87	7,517	2,744	2,585	3.03	2	1	1	2.92
2030	560	205	190	2.92	6,500	2,373	2,236	3.09	2	1	1	2.98
2031	485	177	164	2.97	5,751	2,099	1,979	3.15	2	1	1	3.04
2032	330	121	113	2.99	4,911	1,792	1,690	3.22	2	1	1	3.10
2033	258	94	88	2.97	4,205	1,535	1,447	3.29	1	1	1	3.16
2034	228	83	78	3.02	3,716	1,356	1,280	3.35	1	0	0	3.22
2035	203	74	69	3.07	3,280	1,197	1,130	3.42	1	0	0	3.29
2036	149	54	51	3.17	2,168	791	745	3.54	1	0	0	3.35
2037	116	42	40	3.22	1,509	551	517	3.56	1	0	0	3.42
2038	61	22	21	3.41	1,224	447	418	3.60	0	0	0	0.00
2039	40	15	14	3.66	986	360	337	3.70	0	0	0	0.00
2040	33	12	11	3.76	776	283	265	3.77	0	0	0	0.00
2041	28	10	10	3.88	697	254	238	3.85	0	0	0	0.00
2042	26	9	9	3.97	550	201	187	3.89	0	0	0	0.00
2043	19	7	6	4.03	487	178	165	3.98	0	0	0	0.00
2044	18	6	6	4.11	397	145	135	4.04	0	0	0	0.00
2045	17	6	6	4.19	324	118	110	4.19	0	0	0	0.00
2046	15	6	5	4.27	262	96	88	4.18	0	0	0	0.00
2047	14	5	5	4.36	97	35	33	4.20	0	0	0	0.00
2048	12	4	4	4.41	79	29	27	4.28	0	0	0	0.00
2049	11	4	4	4.50	52	19	17	4.31	0	0	0	0.00
2050	11	4	4	4.59	38	14	13	4.26	0	0	0	0.00
2051	10	4	3	4.68	36	13	12	4.35	0	0	0	0.00
2052	10	4	3	4.78	25	9	8	4.38	0	0	0	0.00
2053	9	3	3	4.87	18	7	6	4.42	0	0	0	0.00
2054	9	3	3	4.97	15	6	5	4.53	0	0	0	0.00
2055	8	3	3	5.07	14	5	5	4.62	0	0	0	0.00
2056	8	3	3	5.17	5	2	2	5.09	0	0	0	0.00
2057	7	3	2	5.27	5	2	2	5.19	0	0	0	0.00
2058	7	3	2	5.38	4	2	1	5.30	0	0	0	0.00
2059	7	2	2	5.49	4	2	1	5.40	0	0	0	0.00
2060	2	1	1	5.52	2	1	1	5.51	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		7,326	6,633	2.55		60,281	55,950	2.83		864	822	2.48
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		7,326	6,633	2.55		60,281	55,950	2.83		864	822	2.48

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	30,886	5,637	5,169	2.20	269	49	39	48.54	229	42	30	45.60
2021	23,944	8,739	8,007	2.36	215	79	61	55.06	169	62	43	51.85
2022	20,667	7,543	6,914	2.61	187	68	51	64.14	140	51	35	61.04
2023	17,922	6,541	6,002	2.67	163	60	44	69.41	119	43	29	66.36
2024	15,514	5,663	5,202	2.72	141	52	39	70.92	102	37	24	67.82
2025	13,408	4,894	4,503	2.78	122	45	34	72.45	87	32	21	69.32
2026	11,889	4,340	3,997	2.84	108	39	30	73.99	76	28	18	70.79
2027	10,531	3,844	3,607	2.90	96	35	32	75.56	65	24	21	72.65
2028	9,279	3,387	3,184	2.96	85	31	28	77.15	57	21	19	74.17
2029	8,153	2,976	2,801	3.02	73	27	25	78.87	51	19	17	75.67
2030	7,063	2,578	2,427	3.08	62	23	21	80.70	45	16	15	77.15
2031	6,237	2,277	2,144	3.13	55	20	18	82.34	39	14	13	78.81
2032	5,243	1,914	1,804	3.20	45	16	15	84.23	33	12	11	80.22
2033	4,464	1,630	1,535	3.27	37	14	13	86.02	28	10	9	81.72
2034	3,946	1,440	1,359	3.33	32	12	11	87.69	25	9	8	83.34
2035	3,484	1,272	1,199	3.40	27	10	9	89.57	22	8	7	84.98
2036	2,318	846	796	3.52	21	8	7	91.10	18	6	6	86.32
2037	1,627	594	557	3.53	17	6	6	92.97	11	4	4	88.47
2038	1,285	469	439	3.59	14	5	5	94.89	8	3	3	90.12
2039	1,027	375	350	3.70	11	4	4	96.95	7	2	2	91.53
2040	810	295	276	3.77	8	3	3	98.79	6	2	2	93.14
2041	725	265	247	3.85	7	3	2	100.78	5	2	2	94.88
2042	576	210	196	3.90	5	2	2	102.53	4	2	1	96.55
2043	506	185	172	3.98	5	2	2	104.61	4	1	1	98.31
2044	415	151	141	4.05	3	1	1	106.36	3	1	1	99.95
2045	341	124	115	4.19	3	1	1	108.74	3	1	1	101.47
2046	278	101	93	4.18	2	1	1	110.92	2	1	1	103.71
2047	112	41	38	4.22	1	0	0	112.71	0	0	0	110.02
2048	91	33	31	4.30	1	0	0	114.76	0	0	0	112.25
2049	64	23	21	4.34	1	0	0	117.16	0	0	0	114.45
2050	49	18	16	4.34	1	0	0	119.39	0	0	0	115.98
2051	47	17	15	4.42	1	0	0	121.79	0	0	0	118.28
2052	35	13	12	4.49	0	0	0	124.04	0	0	0	120.15
2053	27	10	9	4.57	0	0	0	126.35	0	0	0	122.00
2054	24	9	8	4.69	0	0	0	129.02	0	0	0	124.04
2055	23	8	8	4.78	0	0	0	131.61	0	0	0	126.50
2056	13	5	4	5.14	0	0	0	135.32	0	0	0	125.13
2057	12	4	4	5.24	0	0	0	138.02	0	0	0	127.63
2058	11	4	4	5.35	0	0	0	140.78	0	0	0	130.19
2059	11	4	4	5.46	0	0	0	143.60	0	0	0	132.79
2060	4	2	1	5.51	0	0	0	146.50	0	0	0	144.36
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		68,479	63,413	2.80		616	504	71.16		454	344	67.25
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		68,479	63,413	2.80		616	504	71.16		454	344	67.25

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	381	70	51	19.12	624	114	82	18.82	758	138	129	5.71
2021	294	107	79	25.39	485	177	128	19.27	606	221	206	6.13
2022	254	93	67	33.69	420	153	110	22.40	527	192	179	6.79
2023	220	80	58	39.15	364	133	95	23.58	458	167	156	6.94
2024	190	69	50	40.23	314	114	82	24.06	394	144	135	7.09
2025	162	59	43	41.18	268	98	70	24.63	338	123	116	7.23
2026	143	52	38	41.99	235	86	62	25.12	297	108	102	7.38
2027	126	46	42	42.83	208	76	68	25.65	263	96	90	7.55
2028	111	40	37	43.76	181	66	59	26.21	228	83	78	7.74
2029	96	35	32	44.61	157	57	51	26.70	196	72	68	7.91
2030	82	30	28	45.53	134	49	44	27.20	166	61	57	8.08
2031	72	26	24	46.44	117	43	39	27.75	146	53	50	8.22
2032	59	22	20	47.33	95	35	31	28.21	117	43	40	8.45
2033	48	18	16	48.10	78	28	25	28.70	95	35	33	8.59
2034	42	15	14	49.09	68	25	22	29.30	83	30	29	8.76
2035	36	13	12	49.91	58	21	19	29.87	71	26	24	8.94
2036	30	11	10	50.83	48	18	16	30.56	62	23	21	9.15
2037	22	8	7	51.93	37	14	12	31.37	48	17	17	9.34
2038	18	6	6	52.79	30	11	10	32.18	40	15	14	9.51
2039	14	5	5	53.99	24	9	8	32.78	31	11	11	9.68
2040	11	4	4	54.74	18	7	6	33.49	24	9	8	9.85
2041	10	4	3	55.70	16	6	5	34.09	21	8	7	10.04
2042	8	3	3	56.49	13	5	4	34.91	18	6	6	10.22
2043	7	3	2	57.33	11	4	4	35.50	15	5	5	10.41
2044	6	2	2	57.57	9	3	3	35.90	12	4	4	10.59
2045	5	2	2	58.97	8	3	2	36.67	9	3	3	10.85
2046	4	1	1	60.08	7	2	2	37.60	8	3	3	11.06
2047	2	1	1	63.81	3	1	1	39.18	5	2	2	11.39
2048	1	1	0	64.42	2	1	1	39.74	4	1	1	11.55
2049	1	0	0	65.54	2	1	1	40.82	3	1	1	11.82
2050	1	0	0	67.28	2	1	1	41.61	2	1	1	12.05
2051	1	0	0	68.66	2	1	0	42.45	2	1	1	12.29
2052	1	0	0	69.10	1	0	0	43.01	2	1	1	12.49
2053	0	0	0	69.76	1	0	0	43.64	1	0	0	12.70
2054	0	0	0	71.57	1	0	0	44.66	1	0	0	12.99
2055	0	0	0	73.03	1	0	0	45.56	1	0	0	13.25
2056	0	0	0	78.11	0	0	0	47.88	1	0	0	13.93
2057	0	0	0	79.68	0	0	0	48.84	1	0	0	14.21
2058	0	0	0	81.27	0	0	0	49.82	1	0	0	14.49
2059	0	0	0	82.90	0	0	0	50.81	1	0	0	14.78
2060	0	0	0	87.37	0	0	0	52.59	0	0	0	15.09
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		828	662	38.36		1,361	1,065	24.39		1,707	1,599	7.30
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		828	662	38.36		1,361	1,065	24.39		1,707	1,599	7.30

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	2,261	413	332	20.74	3,483	636	539	28.56	8,631	1,575	1,400	19.39
2021	1,769	646	515	23.25	2,651	967	812	31.89	6,641	2,424	2,146	21.25
2022	1,529	558	442	27.55	2,218	810	671	37.50	5,663	2,067	1,823	24.23
2023	1,324	483	382	29.90	1,892	691	569	40.34	4,879	1,781	1,569	25.46
2024	1,141	417	330	30.59	1,622	592	490	41.05	4,208	1,536	1,357	25.85
2025	977	357	284	31.28	1,354	494	409	41.23	3,588	1,310	1,159	25.94
2026	858	313	249	31.96	1,169	427	353	41.71	3,150	1,150	1,019	26.18
2027	758	277	254	32.56	1,004	366	335	41.77	2,759	1,007	936	26.25
2028	661	241	222	33.46	872	318	292	42.62	2,418	883	823	26.71
2029	573	209	193	34.28	756	276	254	43.56	2,115	772	721	27.20
2030	490	179	165	35.18	653	238	220	44.92	1,830	668	624	27.90
2031	428	156	145	35.86	571	208	192	45.76	1,610	588	550	28.36
2032	348	127	118	36.95	459	168	155	46.84	1,333	486	455	28.72
2033	286	104	97	37.92	383	140	129	48.50	1,127	411	385	29.43
2034	250	91	85	38.67	335	122	113	49.49	993	362	340	29.95
2035	214	78	72	39.65	289	106	98	50.92	870	318	297	30.55
2036	179	65	60	39.30	234	86	79	50.19	621	227	212	32.10
2037	134	49	45	39.17	181	66	61	51.53	452	165	154	33.35
2038	110	40	37	39.52	139	51	47	50.07	354	129	120	32.81
2039	87	32	29	40.97	107	39	36	50.36	278	101	94	33.02
2040	68	25	23	41.33	84	31	28	51.22	219	80	74	33.57
2041	60	22	20	42.35	74	27	24	52.51	195	71	66	34.25
2042	49	18	16	42.45	62	23	21	54.05	158	58	53	35.46
2043	42	15	14	43.58	52	19	17	54.47	136	50	46	35.55
2044	34	13	11	43.92	44	16	14	56.45	113	41	38	36.71
2045	27	10	9	46.70	36	13	12	60.85	93	34	31	38.96
2046	24	9	8	46.04	32	12	10	61.26	78	28	26	39.76
2047	12	4	4	43.01	19	7	6	68.68	37	14	12	47.19
2048	9	3	3	43.56	16	6	5	72.94	31	11	10	49.83
2049	7	2	2	44.39	13	5	4	78.39	24	9	8	54.99
2050	6	2	2	43.68	12	4	4	80.86	20	7	6	58.52
2051	5	2	2	44.59	11	4	3	82.44	19	7	6	59.67
2052	4	1	1	45.07	9	3	3	89.03	15	6	5	65.41
2053	3	1	1	45.79	8	3	3	94.91	13	5	4	70.96
2054	3	1	1	47.23	8	3	2	97.95	12	4	4	73.91
2055	3	1	1	48.22	7	3	2	99.91	11	4	4	75.41
2056	2	1	1	54.24	6	2	2	110.24	8	3	3	89.83
2057	2	1	0	55.33	6	2	2	112.38	8	3	2	91.52
2058	1	1	0	56.44	5	2	2	114.55	7	3	2	93.25
2059	1	0	0	57.57	5	2	2	116.76	7	3	2	95.00
2060	1	0	0	56.01	3	1	1	121.53	3	1	1	102.22
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		4,966	4,175	30.57		6,986	6,018	40.20		18,400	16,587	25.67
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		4,966	4,175	30.57		6,986	6,018	40.20		18,400	16,587	25.67

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Total	Total	Process.	Crown	Other	Crown	Other	After	After			
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	9,414	11,928	8,322	29,664	871	30,535	298	3,712	373	1,283	67	2,735	27,502	9,479	8,030	17,508
2021	15,548	20,017	14,643	50,207	1,292	51,499	361	6,610	630	2,009	103	5,128	46,010	12,822	12,526	25,349
2022	14,734	19,141	15,012	48,887	1,195	50,082	302	6,899	616	1,716	90	5,708	44,071	12,395	10,794	23,190
2023	13,201	16,986	14,114	44,300	1,033	45,333	261	6,477	546	1,494	76	5,452	39,620	12,294	9,496	21,790
2024	11,392	15,023	12,474	38,889	816	39,704	193	5,564	455	1,271	67	4,681	34,830	11,918	8,420	20,337
2025	9,078	13,295	10,934	33,308	665	33,972	147	4,724	392	1,113	56	3,948	29,877	10,883	7,121	18,004
2026	7,667	12,039	9,814	29,520	586	30,106	133	4,136	356	1,000	51	3,441	26,533	10,400	6,378	16,779
2027	6,214	10,890	8,826	25,929	509	26,439	122	3,863	309	402	46	1,725	24,592	9,610	5,718	15,328
2028	5,409	9,817	7,924	23,150	423	23,573	103	3,612	233	349	38	1,458	22,012	9,147	5,150	14,297
2029	4,783	8,797	7,037	20,617	377	20,994	94	3,387	203	306	35	1,250	19,650	8,659	4,615	13,273
2030	4,366	7,775	6,167	18,307	323	18,631	84	3,218	183	268	32	1,101	17,446	7,945	4,117	12,062
2031	3,893	7,006	5,510	16,409	261	16,670	72	3,071	166	238	27	972	15,626	7,572	3,700	11,272
2032	3,120	6,018	4,612	13,750	222	13,972	61	2,898	124	206	22	794	13,117	6,390	3,182	9,572
2033	2,790	5,242	3,902	11,934	172	12,106	52	2,776	112	177	20	691	11,363	5,760	2,773	8,533
2034	2,497	4,730	3,483	10,710	143	10,852	46	2,691	90	159	15	607	10,199	5,430	2,515	7,945
2035	2,251	4,258	3,059	9,568	131	9,699	43	2,616	85	141	14	547	9,110	5,133	2,238	7,371
2036	1,705	2,927	2,527	7,159	112	7,271	38	2,474	73	104	13	431	8,011	3,953	1,506	5,459
2037	1,466	2,058	1,892	5,416	91	5,506	28	2,371	69	77	12	350	6,983	2,983	1,128	4,110
2038	945	1,655	1,560	4,160	74	4,234	22	2,290	65	61	12	281	5,930	2,300	848	3,148
2039	648	1,358	1,275	3,281	68	3,349	20	2,233	53	48	10	227	5,102	1,795	669	2,465
2040	529	1,087	1,002	2,618	62	2,680	18	2,014	42	40	8	196	4,266	1,410	527	1,938
2041	481	1,002	909	2,392	44	2,436	13	1,864	40	37	7	182	3,241	1,341	480	1,821
2042	456	807	750	2,014	34	2,048	9	1,613	39	31	7	162	2,878	1,158	390	1,548
2043	350	731	667	1,748	20	1,768	2	1,457	37	28	7	148	2,169	1,012	338	1,349
2044	339	609	547	1,495	14	1,510	2	1,283	34	25	6	131	1,376	854	285	1,139
2045	327	518	461	1,306	13	1,319	1	1,113	32	19	6	121	1,197	737	246	983
2046	304	422	396	1,122	7	1,129	1	1,011	32	16	5	111	1,017	642	205	847
2047	293	171	180	644	2	646	1	621	18	7	3	69	576	304	117	422
2048	278	141	141	561	2	563	1	581	17	7	3	66	496	239	97	337
2049	268	100	107	475	2	477	1	511	17	4	3	60	416	186	75	261
2050	259	78	91	428	0	428	1	511	16	4	3	61	367	153	69	222
2051	251	75	89	415	0	415	1	491	16	4	3	58	356	156	67	223
2052	243	57	65	365	0	365	0	471	10	3	1	52	313	118	55	173
2053	234	45	49	329	0	329	0	441	6	3	0	47	282	96	47	143
2054	227	41	46	313	0	313	0	421	6	3	0	45	269	94	45	139
2055	219	40	44	303	0	303	0	401	6	3	0	43	260	96	43	139
2056	213	24	31	268	0	268	0	361	6	1	0	40	228	77	37	114
2057	205	23	30	258	0	258	0	351	5	1	0	38	220	78	36	114
2058	198	22	30	250	0	250	0	331	5	1	0	37	213	80	35	115
2059	192	22	29	242	0	242	0	321	5	1	0	36	206	81	34	115
2060	99	8	12	119	0	119	0	201	0	1	0	20	100	27	16	44
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	127,082	186,982	148,766	462,829	9,564	472,394	2,531	51,258	5,523	12,660	872	43,250	426,613	165,808	104,168	269,976
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	127,082	186,982	148,766	462,829	9,564	472,394	2,531	51,258	5,523	12,660	872	43,250	426,613	165,808	104,168	269,976
Disc	78,368	111,024	87,101	276,493	6,206	282,699	1,655	33,671	3,297	8,703	515	27,749	253,294	89,219	63,400	152,619

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs		Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
						M\$	M\$		Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	9	0	-12	9,997	1,848	1,782	10,063	60	34	45	139	9,924	9,924	9,690	
2021	18	0	-23	20,667	2,454	1,800	21,321	0	0	0	0	21,321	31,245	29,073	
2022	25	0	-24	20,880	2,039	1,836	21,083	0	0	0	0	21,083	52,328	46,497	
2023	23	0	-22	17,829	1,670	1,873	17,626	0	0	0	0	17,626	69,954	59,740	
2024	18	0	-20	14,494	1,363	1,910	13,947	0	0	0	0	13,947	83,901	69,265	
2025	16	0	-18	11,875	1,112	14,010	-1,024	0	0	0	0	-1,024	82,877	68,630	
2026	14	0	-17	9,757	1,012	4,304	6,466	0	0	0	0	6,466	89,343	72,280	
2027	12	0	-19	9,272	918	2,979	7,211	0	0	0	0	7,211	96,554	75,980	
2028	11	0	-18	7,721	812	3,589	4,944	0	0	0	0	4,944	101,498	78,286	
2029	10	0	-16	6,383	713	4,159	2,937	0	0	0	0	2,937	104,434	79,532	
2030	9	0	-15	5,390	561	3,680	2,271	0	0	0	0	2,271	106,705	80,407	
2031	8	0	-14	4,360	506	4,202	664	0	0	0	0	664	107,369	80,640	
2032	7	0	-13	3,551	439	4,121	-130	0	0	0	0	-130	107,239	80,598	
2033	5	0	-12	2,837	392	4,071	-842	0	0	0	0	-842	106,397	80,355	
2034	4	0	-11	2,261	353	4,216	-1,602	0	0	0	0	-1,602	104,795	79,933	
2035	4	0	-10	1,745	322	2,248	-180	0	0	0	0	-180	104,615	79,890	
2036	3	0	-9	1,347	274	2,970	-1,349	0	0	0	0	-1,349	103,266	79,596	
2037	3	0	-6	1,021	242	2,263	-999	0	0	0	0	-999	102,268	79,399	
2038	3	0	-6	785	205	1,670	-680	0	0	0	0	-680	101,587	79,276	
2039	3	0	-6	640	150	4,915	-4,125	0	0	0	0	-4,125	97,463	78,602	
2040	2	0	-5	531	137	2,760	-2,092	0	0	0	0	-2,092	95,370	78,291	
2041	2	0	-5	423	126	3,715	-3,166	0	0	0	0	-3,166	92,204	77,863	
2042	2	0	-5	333	116	1,439	-990	0	0	0	0	-990	91,214	77,741	
2043	2	0	-5	272	107	2,872	-2,493	0	0	0	0	-2,493	88,721	77,463	
2044	1	0	-4	241	98	1,514	-1,176	0	0	0	0	-1,176	87,545	77,343	
2045	1	0	-4	217	89	141	165	0	0	0	0	165	87,709	77,359	
2046	1	0	-4	173	82	1,192	-937	0	0	0	0	-937	86,772	77,280	
2047	1	0	-3	156	8	403	-240	0	0	0	0	-240	86,532	77,262	
2048	1	0	-3	161	8	349	-181	0	0	0	0	-181	86,352	77,249	
2049	1	0	-3	156	6	483	-320	0	0	0	0	-320	86,032	77,229	
2050	1	0	-3	147	2	491	-341	0	0	0	0	-341	85,690	77,209	
2051	1	0	-2	135	2	1,987	-1,850	0	0	0	0	-1,850	83,840	77,113	
2052	1	0	0	140	2	272	-131	0	0	0	0	-131	83,709	77,107	
2053	1	0	0	139	1	127	13	0	0	0	0	13	83,722	77,107	
2054	1	0	0	130	1	1,846	-1,716	0	0	0	0	-1,716	82,006	77,040	
2055	1	0	0	121	1	20	101	0	0	0	0	101	82,107	77,044	
2056	0	0	0	113	0	8	105	0	0	0	0	105	82,212	77,047	
2057	0	0	0	105	0	184	-79	0	0	0	0	-79	82,133	77,045	
2058	0	0	0	98	0	550	-452	0	0	0	0	-452	81,681	77,033	
2059	0	0	0	90	0	0	90	0	0	0	0	90	81,771	77,035	
2060	0	0	0	56	0	2,839	-2,783	0	0	0	0	-2,783	78,988	76,973	
2061	0	0	0	0	0	0	0	0	0	0	0	0	78,988	76,973	
2062	0	0	0	0	0	0	0	0	0	0	0	0	78,988	76,973	
2063	0	0	0	0	0	0	0	0	0	0	0	0	78,988	76,973	
2064	0	0	0	0	0	18	-18	0	0	0	0	-18	78,970	76,973	
2065	0	0	0	0	0	1,439	-1,439	0	0	0	0	-1,439	77,531	76,953	
2066	0	0	0	0	0	0	0	0	0	0	0	0	77,531	76,953	
2067	0	0	0	0	0	0	0	0	0	0	0	0	77,531	76,953	
2068	0	0	0	0	0	0	0	0	0	0	0	0	77,531	76,953	
2069	0	0	0	0	0	10,452	-10,452	0	0	0	0	-10,452	67,079	76,856	
Sub.	223	0	-337	156,751	18,167	107,700	67,218	60	34	45	139	67,079	67,079	76,856	
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	67,079	76,856	
Tot.	223	0	-337	156,751	18,167	107,700	67,218	60	34	45	139	67,079	67,079	76,856	
Disc	124	0	-161	100,712	11,396	35,117	76,991	59	33	44	136	76,856	76,856	76,856	

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	1,865	27	1,892	1,721	1,000	1,892	10	40.5	4.9	4.3
Tight Oil	Mbbl	123	3	126	119	1,000	126	1	6.5	2.2	2.0
Total: Total Oil	Mbbl	1,988	30	2,018	1,840	1,000	2,018	11	40.5	4.6	4.0
Solution Gas	MMcf	7,214	111	7,326	6,633	6,000	1,221	7	40.5	4.4	3.7
Residue Gas	MMcf	58,708	1,572	60,281	55,950	6,000	10,047	55	40.5	6.5	5.3
Shale Gas	MMcf	821	42	864	822	6,000	144	1	17.5	2.2	2.1
Total: Gas	MMcf	66,744	1,726	68,470	63,405	6,000	11,412	62	40.5	6.1	5.0
Gas Heat Content	BBtu	71,605	1,832	73,437	67,972	0.000	0	0	40.5	6.1	5.0
Condensate	Mbbl	442	12	454	344	1,000	454	2	40.5	5.4	4.8
Field Condensate (NGL)	Mbbl	608	8	616	504	1,000	616	3	40.5	6.3	5.0
Butane	Mbbl	805	23	828	662	1,000	828	5	40.5	6.0	4.9
Propane	Mbbl	1,338	23	1,361	1,065	1,000	1,361	7	40.5	6.0	4.9
Ethane	Mbbl	1,667	40	1,707	1,599	1,000	1,707	9	40.5	6.2	4.9
Total: NGL	Mbbl	4,859	107	4,966	4,175	1,000	4,966	27	40.5	6.0	4.9
Total: Oil+NGL	Mbbl	6,849	137	6,986	6,018	1,000	6,986	38	40.5	5.5	4.7
Total: Oil Eq.	Mboe	17,975	425	18,400	16,587	1,000	18,400	100	40.5	5.8	4.9

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values					Net Revenue After Royalties					
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	48.61	-5.29	43.32	3.32	28.79	0.02	11.19	110,794	26	67,351	27
Tight Oil	\$/bbl	48.61	-6.97	41.64	1.93	9.90	0.00	29.80	6,406	2	5,195	2
Total: Total Oil	\$/bbl	48.61	-5.51	43.10	3.14	26.36	0.02	13.58	117,200	27	72,546	29
Solution Gas	\$/Mcf	2.12	-0.10	2.03	0.08	1.14	0.01	0.80	17,667	4	11,687	5
Residue Gas	\$/Mcf	2.12	0.10	2.23	0.05	2.14	0.00	0.04	164,788	39	96,768	38
Shale Gas	\$/Mcf	2.12	0.01	2.14	0.09	1.59	0.00	0.46	2,043	0	1,658	1
Total: Gas	\$/Mcf	2.12	0.07	2.20	0.06	1.98	0.00	0.16	184,498	43	110,113	43
Condensate	\$/bbl	51.39	-5.79	45.60	13.30	0.00	0.00	32.30	24,033	6	13,493	5
Field Condensate (NGL)	\$/bbl	51.43	-2.89	48.54	9.70	6.23	0.00	32.60	36,292	9	20,545	8
Butane	\$/bbl	25.00	-5.88	19.12	5.49	0.00	0.00	13.64	26,099	6	14,283	6
Propane	\$/bbl	23.85	-5.03	18.82	5.43	0.00	0.00	13.39	26,168	6	14,883	6
Ethane	\$/bbl	6.54	-0.83	5.71	-0.09	0.00	0.00	5.80	12,282	3	7,360	3
Total: NGL	\$/bbl	24.33	-3.59	20.74	4.90	0.74	0.00	15.10	124,873	29	70,564	28
Total: Oil+NGL	\$/bbl	32.84	-4.28	28.56	4.27	9.93	0.01	14.36	242,155	57	143,186	57
Total: Oil Eq.	\$/boe	20.61	-1.23	19.39	1.92	10.92	0.01	6.54	426,679	100	253,324	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**Net Present Value Before Income Tax**

	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	12.5133	11.0749	0	156,751	67,218	139	67,079	3.65
Non-crown Royalty	1.2589	1.1934	5	122,406	81,626	137	81,488	4.43
Mineral Tax	0.0309	0.0482	8	108,356	79,417	136	79,281	4.31
			10	100,712	76,991	136	76,856	4.18
			12	94,117	74,338	135	74,203	4.03
			15	85,767	70,335	134	70,201	3.82
			20	74,866	64,168	133	64,035	3.48

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 09:40:23

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: Summary

Reserve Class: Proved
 Development Class: Developed Non-Producing
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily	Yearly			Daily	Yearly			Daily	Yearly		
			bbl/d	Mbbl	Mbbl	\$/bbl	bbl/d	Mbbl	Mbbl	\$/bbl	bbl/d	Mbbl	Mbbl	\$/bbl
2020	0	3	0	0	0	0.00	13	2	2	41.53	13	2	2	41.53
2021	0	5	0	0	0	0.00	19	7	7	47.64	19	7	7	47.64
2022	5	14	15	6	5	60.57	31	11	11	59.57	52	19	17	59.20
2023	5	14	27	10	8	65.69	38	14	13	65.14	83	30	28	63.81
2024	5	13	21	8	7	66.96	31	11	11	66.80	66	24	22	65.32
2025	5	12	18	7	6	68.31	27	10	9	68.43	55	20	19	66.95
2026	5	12	16	6	5	69.68	21	8	7	69.83	44	16	15	68.40
2027	3	11	13	5	4	71.08	7	3	3	72.68	21	8	7	71.65
2028	2	10	10	4	3	72.56	6	2	2	74.13	17	6	5	73.17
2029	1	10	9	3	3	74.02	0	0	0	0.00	9	3	3	74.02
2030	1	6	8	3	3	75.50	0	0	0	0.00	8	3	3	75.50
2031	0	6	2	1	1	77.01	0	0	0	0.00	2	1	1	77.01
2032	0	5	2	1	1	78.55	0	0	0	0.00	2	1	1	78.55
2033	0	4	2	1	1	80.12	0	0	0	0.00	2	1	1	80.12
2034	0	4	2	1	1	81.72	0	0	0	0.00	2	1	1	81.72
2035	0	3	1	0	0	83.36	0	0	0	0.00	1	0	0	83.36
2036	0	2	1	0	0	85.02	0	0	0	0.00	1	0	0	85.02
2037	0	1	1	0	0	86.72	0	0	0	0.00	1	0	0	86.72
2038	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2039	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2040	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2041	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2042	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2043	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2044	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2045	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2046	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2047	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2048	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2049	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				54	47	69.21		68	65	63.48		143	131	65.02
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				54	47	69.21		68	65	63.48		143	131	65.02

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	0	0	0	0.00	265	48	45	2.23	30	5	5	2.21
2021	0	0	0	0.00	520	190	174	2.37	42	15	15	2.36
2022	58	21	18	2.04	2,152	786	695	2.51	114	41	39	2.17
2023	103	38	33	2.09	4,251	1,551	1,382	2.57	157	57	55	2.15
2024	91	33	29	2.12	3,288	1,200	1,092	2.62	117	43	40	2.36
2025	79	29	25	2.17	2,637	962	886	2.67	94	34	32	2.57
2026	70	25	22	2.21	2,228	813	758	2.73	72	26	24	2.67
2027	61	22	20	2.25	1,862	680	640	2.79	20	7	7	3.48
2028	54	20	18	2.29	1,571	573	543	2.85	17	6	6	3.55
2029	47	17	16	2.33	1,376	502	476	2.90	0	0	0	0.00
2030	42	15	14	2.38	964	352	334	2.95	0	0	0	0.00
2031	7	3	2	2.42	865	316	300	3.01	0	0	0	0.00
2032	6	2	2	2.47	633	231	219	3.07	0	0	0	0.00
2033	5	2	2	2.52	505	184	175	3.14	0	0	0	0.00
2034	5	2	2	2.57	433	158	150	3.19	0	0	0	0.00
2035	4	1	1	2.62	328	120	114	3.26	0	0	0	0.00
2036	4	1	1	2.67	271	99	94	3.31	0	0	0	0.00
2037	3	1	1	2.73	83	30	29	3.36	0	0	0	0.00
2038	0	0	0	0.00	8	3	3	3.16	0	0	0	0.00
2039	0	0	0	0.00	7	3	3	3.22	0	0	0	0.00
2040	0	0	0	0.00	7	3	2	3.29	0	0	0	0.00
2041	0	0	0	0.00	6	2	2	3.35	0	0	0	0.00
2042	0	0	0	0.00	6	2	2	3.42	0	0	0	0.00
2043	0	0	0	0.00	6	2	2	3.49	0	0	0	0.00
2044	0	0	0	0.00	5	2	2	3.56	0	0	0	0.00
2045	0	0	0	0.00	5	2	2	3.63	0	0	0	0.00
2046	0	0	0	0.00	5	2	2	3.70	0	0	0	0.00
2047	0	0	0	0.00	4	2	2	3.78	0	0	0	0.00
2048	0	0	0	0.00	4	2	1	3.85	0	0	0	0.00
2049	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		234	206	2.21		8,820	8,126	2.73		237	224	2.40
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		234	206	2.21		8,820	8,126	2.73		237	224	2.40

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	294	54	51	2.23	7	1	1	48.10	1	0	0	45.95
2021	563	205	188	2.37	9	3	3	54.51	2	1	0	53.20
2022	2,325	849	753	2.48	9	3	3	63.32	14	5	3	63.17
2023	4,515	1,648	1,471	2.54	8	3	2	68.50	28	10	7	68.66
2024	3,499	1,277	1,162	2.60	6	2	2	70.06	22	8	5	70.11
2025	2,812	1,027	944	2.66	6	2	2	71.59	18	6	4	71.55
2026	2,371	866	805	2.71	5	2	1	73.14	15	5	3	73.07
2027	1,943	709	667	2.78	4	2	1	74.81	12	4	4	74.79
2028	1,642	599	566	2.84	4	1	1	76.44	10	4	3	76.37
2029	1,423	519	492	2.88	3	1	1	78.05	8	3	3	78.14
2030	1,006	367	348	2.92	2	1	1	78.92	6	2	2	79.67
2031	872	318	302	3.00	2	1	1	80.50	5	2	1	81.74
2032	639	233	221	3.07	2	1	1	82.15	3	1	1	83.33
2033	511	186	177	3.13	2	1	1	83.79	3	1	1	84.97
2034	438	160	152	3.19	1	0	0	85.43	2	1	1	86.70
2035	332	121	115	3.25	1	0	0	87.14	2	1	1	88.41
2036	274	100	95	3.30	0	0	0	87.10	2	1	1	90.22
2037	86	31	30	3.34	0	0	0	88.83	1	0	0	91.73
2038	8	3	3	3.16	0	0	0	90.61	0	0	0	95.47
2039	7	3	3	3.22	0	0	0	92.43	0	0	0	97.39
2040	7	3	2	3.29	0	0	0	94.28	0	0	0	99.33
2041	6	2	2	3.35	0	0	0	96.16	0	0	0	101.32
2042	6	2	2	3.42	0	0	0	98.09	0	0	0	103.34
2043	6	2	2	3.49	0	0	0	100.04	0	0	0	105.42
2044	5	2	2	3.56	0	0	0	102.04	0	0	0	107.52
2045	5	2	2	3.63	0	0	0	104.08	0	0	0	109.68
2046	5	2	2	3.70	0	0	0	106.17	0	0	0	111.86
2047	4	2	2	3.78	0	0	0	108.30	0	0	0	114.10
2048	4	2	1	3.85	0	0	0	110.46	0	0	0	116.39
2049	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		9,294	8,560	2.71		25	21	69.14		55	40	72.72
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		9,294	8,560	2.71		25	21	69.14		55	40	72.72

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	5	1	1	25.55	10	2	1	20.84	14	3	2	6.02
2021	8	3	2	29.96	14	5	4	20.44	23	8	8	7.21
2022	15	6	4	34.61	26	10	7	22.20	36	13	12	7.53
2023	20	7	5	39.74	32	12	9	23.09	35	13	12	7.45
2024	15	5	4	41.01	23	8	6	23.60	24	9	8	7.84
2025	12	4	3	42.08	19	7	5	24.14	20	7	7	7.99
2026	10	4	3	43.15	16	6	4	24.67	16	6	6	8.13
2027	8	3	3	44.86	12	4	4	25.32	12	4	4	8.44
2028	6	2	2	45.94	9	3	3	25.92	8	3	3	7.86
2029	6	2	2	46.94	8	3	3	26.50	7	3	2	8.02
2030	4	2	1	47.81	6	2	2	26.98	6	2	2	8.17
2031	3	1	1	49.24	6	2	2	27.61	5	2	2	8.34
2032	3	1	1	50.85	5	2	1	28.38	5	2	2	8.56
2033	2	1	1	52.05	4	1	1	29.06	4	2	2	8.73
2034	2	1	1	52.13	3	1	1	29.23	2	1	1	8.85
2035	1	1	0	53.36	2	1	1	29.96	2	1	1	9.03
2036	1	0	0	51.18	1	0	0	28.88	0	0	0	8.70
2037	0	0	0	50.30	0	0	0	29.62	0	0	0	8.87
2038	0	0	0	45.18	0	0	0	30.46	0	0	0	9.05
2039	0	0	0	46.08	0	0	0	31.07	0	0	0	9.23
2040	0	0	0	47.00	0	0	0	31.69	0	0	0	9.41
2041	0	0	0	47.94	0	0	0	32.32	0	0	0	9.60
2042	0	0	0	48.90	0	0	0	32.97	0	0	0	9.79
2043	0	0	0	49.88	0	0	0	33.63	0	0	0	9.99
2044	0	0	0	50.88	0	0	0	34.30	0	0	0	10.19
2045	0	0	0	51.90	0	0	0	34.99	0	0	0	10.39
2046	0	0	0	52.93	0	0	0	35.69	0	0	0	10.60
2047	0	0	0	53.99	0	0	0	36.40	0	0	0	10.81
2048	0	0	0	55.07	0	0	0	37.13	0	0	0	11.03
2049	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		44	35	41.31		71	55	24.22		79	74	7.79
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		44	35	41.31		71	55	24.22		79	74	7.79

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	37	7	5	21.59	50	9	8	26.95	99	18	16	20.22
2021	55	20	17	22.90	75	27	23	29.23	168	61	55	20.86
2022	100	37	30	28.33	152	55	47	38.82	539	197	172	21.65
2023	125	45	35	34.75	208	76	63	46.39	960	351	308	21.99
2024	91	33	25	36.75	157	57	47	48.78	740	270	241	22.62
2025	74	27	20	37.69	130	47	39	50.20	598	218	196	23.36
2026	62	23	17	38.82	106	39	32	51.16	502	183	166	23.68
2027	47	17	15	41.04	68	25	22	50.42	392	143	133	22.56
2028	37	14	12	43.72	54	20	18	52.78	327	120	112	22.90
2029	32	12	11	44.29	41	15	14	50.72	278	102	96	22.26
2030	25	9	8	43.82	32	12	11	51.49	200	73	69	23.05
2031	21	8	7	43.48	23	9	8	46.89	169	62	58	22.03
2032	17	6	6	43.63	19	7	6	47.38	126	46	43	22.84
2033	15	6	5	43.36	17	6	6	47.20	102	37	35	23.52
2034	10	4	3	46.94	12	4	4	51.56	85	31	29	23.57
2035	9	3	3	46.16	10	4	3	51.13	65	24	23	24.34
2036	4	1	1	58.39	5	2	2	64.98	50	18	17	24.05
2037	2	1	1	49.57	3	1	1	63.83	17	6	6	26.84
2038	1	0	0	27.54	1	0	0	27.54	2	1	1	21.96
2039	1	0	0	28.09	1	0	0	28.09	2	1	1	22.40
2040	1	0	0	28.66	1	0	0	28.66	2	1	1	22.85
2041	1	0	0	29.23	1	0	0	29.23	2	1	1	23.30
2042	1	0	0	29.81	1	0	0	29.81	2	1	1	23.77
2043	1	0	0	30.41	1	0	0	30.41	1	1	0	24.24
2044	0	0	0	31.02	0	0	0	31.02	1	0	0	24.73
2045	0	0	0	31.64	0	0	0	31.64	1	0	0	25.22
2046	0	0	0	32.27	0	0	0	32.27	1	0	0	25.73
2047	0	0	0	32.92	0	0	0	32.92	1	0	0	26.24
2048	0	0	0	33.57	0	0	0	33.57	1	0	0	26.77
2049	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		274	224	36.14		417	355	46.05		1,966	1,782	22.59
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		274	224	36.14		417	355	46.05		1,966	1,782	22.59

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Royalty	Pre-Processing	Allowance		Royalty	Revenue	Fixed	Variable	Total	
	Oil	Gas	NGL+Sul	Total	Interest	Interest	Interest	Crown	Other	Crown	Other	After				After
M\$	M\$	M\$	M\$	M\$	Total	Total	Expense	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	93	118	143	353	13	366	1	45	0	16	0	29	336	86	114	200
2021	302	475	455	1,232	50	1,282	7	147	15	43	2	117	1,158	298	330	628
2022	1,092	2,087	1,020	4,199	63	4,262	17	572	42	240	5	369	3,876	774	1,343	2,117
2023	1,921	4,169	1,564	7,654	55	7,709	16	1,073	51	445	5	673	7,020	1,466	2,724	4,190
2024	1,561	3,297	1,204	6,063	47	6,110	14	801	33	329	4	501	5,594	1,376	2,175	3,550
2025	1,342	2,711	1,007	5,060	41	5,102	13	637	28	256	3	406	4,683	1,396	1,799	3,195
2026	1,098	2,338	870	4,306	29	4,335	9	513	24	206	3	328	3,997	1,424	1,547	2,971
2027	545	1,966	700	3,210	17	3,227	9	246	20	102	2	163	3,056	1,023	1,249	2,272
2028	442	1,692	587	2,721	16	2,736	8	197	12	84	1	124	2,604	932	1,088	2,019
2029	241	1,491	517	2,248	14	2,263	7	155	11	69	1	96	2,160	804	939	1,743
2030	216	1,067	387	1,670	13	1,684	7	115	10	51	1	72	1,605	601	697	1,298
2031	67	949	329	1,346	12	1,358	6	91	0	44	0	47	1,305	480	594	1,075
2032	59	714	273	1,046	2	1,048	1	70	0	33	0	37	1,010	389	454	843
2033	52	582	241	875	2	877	1	57	0	27	0	30	845	350	374	724
2034	46	509	172	727	0	728	0	47	0	23	0	24	703	300	318	618
2035	41	394	146	581	0	581	0	37	0	18	0	20	562	257	249	506
2036	36	331	76	443	0	443	0	29	0	14	0	14	429	198	200	397
2037	32	105	30	167	0	167	0	11	0	5	0	6	161	85	65	150
2038	0	9	7	16	0	16	0	1	0	1	0	1	15	7	3	9
2039	0	9	7	15	0	15	0	1	0	1	0	1	15	7	3	9
2040	0	8	6	15	0	15	0	1	0	1	0	1	14	7	3	9
2041	0	8	6	14	0	14	0	1	0	1	0	1	13	7	3	9
2042	0	8	6	13	0	13	0	1	0	1	0	1	13	7	2	10
2043	0	7	6	13	0	13	0	1	0	1	0	1	12	7	2	10
2044	0	7	5	12	0	12	0	1	0	1	0	1	12	7	2	10
2045	0	7	5	12	0	12	0	1	0	1	0	1	11	7	2	10
2046	0	6	5	11	0	11	0	1	0	0	0	1	11	8	2	10
2047	0	6	5	11	0	11	0	1	0	0	0	0	10	8	2	10
2048	0	6	5	10	0	10	0	1	0	0	0	0	10	8	2	10
2049	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2050	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2051	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2052	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2053	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2054	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2055	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2056	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2057	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2058	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2059	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2060	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	9,187	25,074	9,783	44,044	375	44,419	116	4,857	245	2,012	28	3,062	41,240	12,318	16,285	28,604
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	9,187	25,074	9,783	44,044	375	44,419	116	4,857	245	2,012	28	3,062	41,240	12,318	16,285	28,604
Disc	5,995	14,560	5,893	26,449	258	26,707	73	3,120	164	1,277	18	1,987	24,646	6,842	9,523	16,365

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	136	70	0	206	50	38	65	152	54	54	52
2021	0	0	0	530	4	0	534	4	0	148	151	383	436	400
2022	0	0	0	1,760	160	0	1,920	391	26	309	726	1,193	1,630	1,387
2023	0	0	0	2,830	262	0	3,092	0	0	0	0	3,092	4,722	3,710
2024	0	0	0	2,044	192	0	2,236	0	27	0	27	2,209	6,930	5,218
2025	0	0	0	1,488	154	0	1,641	0	0	0	0	1,641	8,572	6,237
2026	0	0	0	1,027	127	0	1,153	0	0	0	0	1,153	9,725	6,888
2027	0	0	0	785	86	0	871	0	0	0	0	871	10,596	7,335
2028	0	0	0	585	75	332	327	0	0	0	0	327	10,923	7,488
2029	0	0	0	417	65	142	340	0	0	0	0	340	11,263	7,632
2030	0	0	0	306	57	0	364	0	0	0	0	364	11,627	7,772
2031	0	0	0	230	30	449	-190	0	0	0	0	-190	11,437	7,706
2032	0	0	0	167	26	193	-1	0	0	0	0	-1	11,437	7,706
2033	0	0	0	121	22	160	-17	0	0	0	0	-17	11,420	7,701
2034	0	0	0	85	19	494	-390	0	0	0	0	-390	11,030	7,598
2035	0	0	0	56	17	160	-88	0	0	0	0	-88	10,942	7,577
2036	0	0	0	31	14	231	-186	0	0	0	0	-186	10,757	7,537
2037	0	0	0	11	12	108	-85	0	0	0	0	-85	10,672	7,520
2038	0	0	0	6	1	98	-91	0	0	0	0	-91	10,581	7,504
2039	0	0	0	5	1	113	-106	0	0	0	0	-106	10,475	7,486
2040	0	0	0	5	1	112	-107	0	0	0	0	-107	10,368	7,470
2041	0	0	0	4	1	270	-266	0	0	0	0	-266	10,102	7,434
2042	0	0	0	3	1	153	-149	0	0	0	0	-149	9,953	7,416
2043	0	0	0	3	1	0	3	0	0	0	0	3	9,957	7,416
2044	0	0	0	2	1	0	3	0	0	0	0	3	9,960	7,417
2045	0	0	0	2	1	0	2	0	0	0	0	2	9,962	7,417
2046	0	0	0	1	1	0	2	0	0	0	0	2	9,963	7,417
2047	0	0	0	1	1	0	1	0	0	0	0	1	9,964	7,417
2048	0	0	0	0	0	0	1	0	0	0	0	1	9,965	7,417
2049	0	0	0	0	0	0	0	0	0	0	0	0	9,965	7,417
2050	0	0	0	0	0	0	0	0	0	0	0	0	9,965	7,417
2051	0	0	0	0	0	0	0	0	0	0	0	0	9,965	7,417
2052	0	0	0	0	0	0	0	0	0	0	0	0	9,965	7,417
2053	0	0	0	0	0	17	-17	0	0	0	0	-17	9,948	7,416
2054	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2055	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2056	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2057	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2058	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2059	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2060	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2061	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2062	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2063	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2064	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2065	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2066	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2067	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2068	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
2069	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
Sub.	0	0	0	12,636	1,400	3,032	11,004	445	90	521	1,057	9,948	9,948	7,416
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	9,948	7,416
Tot.	0	0	0	12,636	1,400	3,032	11,004	445	90	521	1,057	9,948	9,948	7,416
Disc	0	0	0	8,281	869	829	8,321	376	76	453	905	7,416	7,416	7,416

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	54	0	54	47	1,000	54	3	17.5	9.6	5.6
Tight Oil	Mbbl	66	2	68	65	1,000	68	3	8.5	13.9	4.0
Total: Total Oil	Mbbl	120	2	123	112	1,000	123	6	17.5	25.0	4.6
Solution Gas	MMcf	234	0	234	206	6,000	39	2	17.5	11.1	5.9
Residue Gas	MMcf	8,767	53	8,820	8,126	6,000	1,470	75	28.5	91.3	5.7
Shale Gas	MMcf	232	5	237	224	6,000	39	2	8.5	21.7	4.0
Total: Gas	MMcf	9,233	57	9,290	8,556	6,000	1,548	79	28.5	86.4	5.6
Gas Heat Content	BBtu	9,511	61	9,572	8,816	0.000	0	0	28.5	86.5	5.6
Condensate	Mbbl	55	0	55	40	1,000	55	3	28.5	209.8	5.5
Field Condensate (NGL)	Mbbl	25	0	25	21	1,000	25	1	28.5	9.8	4.7
Butane	Mbbl	43	1	44	35	1,000	44	2	28.5	22.6	4.9
Propane	Mbbl	69	1	71	55	1,000	71	4	28.5	20.1	4.8
Ethane	Mbbl	76	2	79	74	1,000	79	4	28.5	15.5	4.3
Total: NGL	Mbbl	269	5	274	224	1,000	274	14	28.5	20.5	4.8
Total: Oil+NGL	Mbbl	410	7	417	355	1,000	417	21	28.5	22.8	4.7
Total: Oil Eq.	Mboe	1,949	17	1,966	1,782	1,000	1,966	100	28.5	54.4	5.4

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values					Net Revenue After Royalties					
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,255	8	1,897	8
Tight Oil	\$/bbl	48.61	-7.08	41.53	1.89	11.97	0.00	27.67	4,125	10	2,900	12
Total: Total Oil	\$/bbl	48.61	-7.08	41.53	1.89	11.97	0.00	27.67	7,380	18	4,797	19
Solution Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	494	1	289	1
Residue Gas	\$/Mcf	2.12	0.10	2.23	-0.06	3.20	0.00	-0.91	23,678	57	13,679	55
Shale Gas	\$/Mcf	2.12	0.08	2.21	0.10	0.45	0.00	1.65	543	1	380	2
Total: Gas	\$/Mcf	2.12	0.10	2.23	-0.04	2.92	0.00	-0.66	24,715	60	14,348	58
Condensate	\$/bbl	51.39	-5.44	45.95	13.16	0.00	0.00	32.79	3,108	8	1,751	7
Field Condensate (NGL)	\$/bbl	51.39	-3.29	48.10	8.71	10.64	0.00	28.75	1,457	4	884	4
Butane	\$/bbl	25.00	0.55	25.55	5.63	0.00	0.00	19.92	1,491	4	878	4
Propane	\$/bbl	23.85	-3.01	20.84	5.74	0.00	0.00	15.10	1,323	3	796	3
Ethane	\$/bbl	6.54	-0.52	6.02	-0.29	0.00	0.00	6.30	598	1	388	2
Total: NGL	\$/bbl	23.24	-1.64	21.59	4.15	2.03	0.00	15.42	7,978	19	4,697	19
Total: Oil+NGL	\$/bbl	30.06	-3.11	26.95	3.54	4.70	0.00	18.71	16,510	40	10,288	42
Total: Oil Eq.	\$/boe	21.21	-0.99	20.22	1.66	10.31	0.00	8.25	41,240	100	24,646	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Net Present Value Before Income Tax

	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	12.8490	11.0274	0	12,636	11,004	1,057	9,948	5.06
Non-crown Royalty	0.0000	0.5563	5	10,093	9,645	975	8,670	4.41
Mineral Tax	0.0000	0.0000	8	8,938	8,832	932	7,900	4.02
			10	8,281	8,321	905	7,416	3.77
			12	7,699	7,841	879	6,962	3.54
			15	6,940	7,182	843	6,339	3.22
			20	5,917	6,237	789	5,448	2.77

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 09:40:28

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: Summary

Reserve Class: Proved
 Development Class: Undeveloped
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily	Yearly			Daily	Yearly			Daily	Yearly		
			bbl/d	Mbbl	Mbbl	\$/bbl	bbl/d	Mbbl	Mbbl	\$/bbl	bbl/d	Mbbl	Mbbl	\$/bbl
2020	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2021	0	8	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2022	5	12	264	96	90	60.23	208	76	72	58.04	472	172	162	59.27
2023	10	18	484	177	158	65.24	587	214	204	63.12	1,070	391	362	64.08
2024	10	18	241	88	72	66.63	541	197	188	64.38	782	285	260	65.07
2025	10	18	158	58	48	67.96	279	102	97	65.67	437	160	145	66.50
2026	10	18	119	43	38	69.33	183	67	64	66.98	302	110	102	67.91
2027	12	18	96	35	31	70.73	155	57	53	68.33	251	92	85	69.24
2028	11	18	81	29	27	72.14	121	44	40	69.69	201	73	67	70.67
2029	11	18	69	25	23	73.59	99	36	33	71.08	168	61	56	72.12
2030	11	18	61	22	21	75.07	84	31	28	72.50	145	53	49	73.59
2031	11	18	54	20	19	76.58	72	26	24	73.95	127	46	43	75.08
2032	11	18	49	18	17	78.11	64	23	22	75.43	112	41	38	76.60
2033	11	18	44	16	15	79.68	56	21	19	76.94	100	36	34	78.14
2034	11	18	36	13	12	81.37	50	18	17	78.48	86	31	29	79.68
2035	9	18	30	11	10	83.07	42	15	14	80.05	72	26	25	81.30
2036	9	18	27	10	9	84.73	38	14	13	81.65	65	24	22	82.93
2037	9	18	24	9	8	86.42	34	12	12	83.28	59	21	20	84.59
2038	5	15	22	8	8	88.15	0	0	0	0.00	22	8	8	88.15
2039	4	15	18	6	6	89.72	0	0	0	0.00	18	6	6	89.72
2040	4	14	16	6	5	91.51	0	0	0	0.00	16	6	5	91.51
2041	4	14	14	5	5	93.34	0	0	0	0.00	14	5	5	93.34
2042	4	14	11	4	4	95.23	0	0	0	0.00	11	4	4	95.23
2043	4	13	10	4	3	97.13	0	0	0	0.00	10	4	3	97.13
2044	2	8	5	2	2	99.08	0	0	0	0.00	5	2	2	99.08
2045	0	5	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2046	0	2	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2047	0	2	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2048	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2049	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				706	632	69.79		954	900	66.74		1,659	1,532	68.04
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				706	632	69.79		954	900	66.74		1,659	1,532	68.04

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	0	0	0	0.00	2,326	424	403	2.38	0	0	0	0.00
2021	0	0	0	0.00	13,913	5,078	4,820	2.47	0	0	0	0.00
2022	1,013	370	351	2.31	12,999	4,745	4,497	2.75	1,083	395	376	2.61
2023	1,579	576	543	2.40	16,040	5,855	5,546	2.79	2,142	782	743	2.67
2024	883	322	300	2.45	10,462	3,819	3,608	2.83	1,407	514	489	2.71
2025	578	211	198	2.50	7,856	2,867	2,700	2.89	795	290	276	2.77
2026	435	159	150	2.55	6,383	2,330	2,167	2.95	545	199	189	2.83
2027	350	128	121	2.60	5,368	1,959	1,813	3.01	536	196	185	2.88
2028	294	107	101	2.65	4,599	1,679	1,552	3.07	430	157	148	2.94
2029	253	92	87	2.70	3,963	1,446	1,345	3.13	359	131	124	3.00
2030	222	81	77	2.75	3,453	1,260	1,177	3.19	308	112	107	3.06
2031	198	72	68	2.80	3,029	1,106	1,034	3.25	269	98	93	3.12
2032	178	65	61	2.86	2,679	978	916	3.32	238	87	82	3.18
2033	159	58	55	2.92	2,369	865	812	3.38	211	77	73	3.24
2034	128	47	44	2.97	2,110	770	724	3.45	190	69	66	3.31
2035	107	39	37	3.03	1,887	689	649	3.52	165	60	57	3.37
2036	96	35	33	3.09	1,699	620	585	3.59	149	54	52	3.44
2037	86	32	30	3.15	1,527	557	526	3.66	134	49	46	3.51
2038	78	28	27	3.22	1,241	453	428	3.76	0	0	0	0.00
2039	65	24	23	3.24	1,087	397	375	3.84	0	0	0	0.00
2040	59	21	20	3.30	971	354	335	3.91	0	0	0	0.00
2041	53	19	18	3.37	881	322	304	3.99	0	0	0	0.00
2042	46	17	16	3.42	789	288	272	4.07	0	0	0	0.00
2043	42	15	14	3.49	707	258	244	4.15	0	0	0	0.00
2044	19	7	7	3.56	436	159	150	4.21	0	0	0	0.00
2045	0	0	0	0.00	268	98	92	4.26	0	0	0	0.00
2046	0	0	0	0.00	117	43	40	4.24	0	0	0	0.00
2047	0	0	0	0.00	106	39	36	4.33	0	0	0	0.00
2048	0	0	0	0.00	69	25	24	4.31	0	0	0	0.00
2049	0	0	0	0.00	62	23	21	4.40	0	0	0	0.00
2050	0	0	0	0.00	42	15	14	4.36	0	0	0	0.00
2051	0	0	0	0.00	16	6	6	4.97	0	0	0	0.00
2052	0	0	0	0.00	16	6	5	5.07	0	0	0	0.00
2053	0	0	0	0.00	15	5	5	5.17	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		2,525	2,381	2.58		39,537	37,227	2.97		3,270	3,107	2.83
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		2,525	2,381	2.58		39,537	37,227	2.97		3,270	3,107	2.83

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	2,326	424	403	2.38	39	7	7	51.34	17	3	3	44.38
2021	13,913	5,078	4,820	2.47	199	73	69	56.69	63	23	22	53.07
2022	15,096	5,510	5,223	2.71	207	76	71	65.51	97	36	33	60.50
2023	19,760	7,213	6,833	2.74	253	93	86	70.81	154	56	52	65.10
2024	12,753	4,655	4,398	2.79	161	59	54	72.33	99	36	33	66.40
2025	9,229	3,368	3,173	2.86	120	44	39	73.87	65	24	21	68.27
2026	7,363	2,687	2,506	2.92	98	36	30	75.44	49	18	16	69.98
2027	6,253	2,282	2,119	2.98	82	30	25	77.03	43	16	14	71.12
2028	5,322	1,943	1,801	3.04	70	26	21	78.66	36	13	11	72.72
2029	4,574	1,670	1,556	3.10	61	22	18	80.32	31	11	10	74.30
2030	3,983	1,454	1,360	3.15	53	19	16	82.00	27	10	9	75.90
2031	3,496	1,276	1,195	3.22	46	17	15	83.63	23	9	8	77.43
2032	3,095	1,130	1,060	3.28	41	15	13	85.30	21	8	7	78.99
2033	2,739	1,000	940	3.35	36	13	12	87.00	18	7	6	80.56
2034	2,428	886	834	3.41	32	12	11	88.74	16	6	5	82.04
2035	2,159	788	743	3.48	29	11	9	90.51	14	5	5	83.66
2036	1,944	710	670	3.55	26	9	9	92.31	13	5	4	85.34
2037	1,747	638	602	3.62	23	9	8	94.15	11	4	4	87.06
2038	1,319	481	455	3.73	20	7	7	96.12	6	2	2	92.48
2039	1,152	420	397	3.80	17	6	6	98.05	5	2	2	94.33
2040	1,030	376	355	3.88	15	6	5	100.01	5	2	2	96.22
2041	934	341	322	3.96	14	5	5	102.01	4	2	1	98.18
2042	835	305	288	4.03	13	5	4	104.05	4	1	1	100.24
2043	748	273	258	4.11	11	4	4	106.09	3	1	1	102.45
2044	455	166	157	4.18	7	2	2	108.33	2	1	1	103.73
2045	268	98	92	4.26	4	1	1	110.81	1	0	0	104.48
2046	117	43	40	4.24	2	1	1	113.36	1	0	0	104.71
2047	106	39	36	4.33	1	0	0	115.62	1	0	0	106.81
2048	69	25	24	4.31	1	0	0	117.39	0	0	0	109.92
2049	62	23	21	4.40	1	0	0	119.76	0	0	0	112.08
2050	42	15	14	4.36	0	0	0	121.25	0	0	0	115.71
2051	16	6	6	4.97	0	0	0	126.16	0	0	0	113.43
2052	16	6	5	5.07	0	0	0	128.69	0	0	0	115.70
2053	15	5	5	5.17	0	0	0	131.26	0	0	0	118.01
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		45,333	42,715	2.94		608	547	74.64		301	272	69.09
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		45,333	42,715	2.94		608	547	74.64		301	272	69.09

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	26	5	4	14.99	41	8	7	14.84	13	2	2	5.53
2021	152	55	52	26.52	217	79	73	19.07	257	94	89	6.17
2022	178	65	61	34.65	242	88	81	22.40	296	108	103	6.84
2023	234	85	79	39.14	323	118	107	23.37	395	144	137	6.99
2024	148	54	49	39.95	205	75	65	23.82	255	93	88	7.12
2025	107	39	35	40.96	149	54	47	24.34	187	68	65	7.26
2026	86	31	27	41.90	119	43	36	24.85	149	54	51	7.41
2027	72	26	22	42.74	99	36	29	25.34	124	45	43	7.56
2028	61	22	19	43.62	85	31	25	25.84	106	39	36	7.71
2029	53	19	17	44.47	73	27	22	26.33	91	33	31	7.87
2030	46	17	15	45.33	64	23	19	26.85	79	29	27	8.02
2031	40	15	13	46.21	56	20	17	27.37	70	26	24	8.18
2032	36	13	12	47.11	50	18	15	27.92	62	23	21	8.34
2033	32	12	10	48.04	44	16	14	28.47	55	20	19	8.51
2034	28	10	9	49.10	39	14	12	29.07	48	18	17	8.68
2035	25	9	8	50.17	34	12	11	29.68	43	16	15	8.86
2036	22	8	8	51.18	31	11	10	30.29	39	14	13	9.03
2037	20	7	7	52.23	28	10	9	30.92	35	13	12	9.21
2038	16	6	5	53.86	22	8	7	31.64	27	10	9	9.44
2039	14	5	5	54.85	19	7	6	32.20	24	9	8	9.60
2040	12	4	4	55.94	17	6	6	32.85	21	8	7	9.79
2041	11	4	4	57.13	16	6	5	33.55	19	7	7	9.99
2042	10	4	3	58.30	14	5	4	34.30	17	6	6	10.17
2043	9	3	3	59.71	12	5	4	35.19	16	6	5	10.38
2044	5	2	2	59.83	8	3	2	35.08	9	3	3	10.54
2045	3	1	1	59.75	4	2	1	34.55	5	2	2	10.71
2046	1	0	0	52.92	2	1	1	31.66	2	1	1	10.60
2047	1	0	0	53.98	2	1	1	32.30	2	1	1	10.81
2048	1	0	0	55.06	1	1	0	33.85	2	1	1	11.03
2049	1	0	0	56.16	1	0	0	34.50	1	1	1	11.25
2050	0	0	0	57.29	1	0	0	36.22	1	0	0	11.47
2051	0	0	0	58.42	0	0	0	32.06	0	0	0	11.69
2052	0	0	0	59.59	0	0	0	32.70	0	0	0	11.92
2053	0	0	0	60.79	0	0	0	33.36	0	0	0	12.16
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		525	476	40.56		730	640	24.69		892	846	7.48
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		525	476	40.56		730	640	24.69		892	846	7.48

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	137	25	24	28.25	137	25	24	28.25	525	96	91	17.91
2021	888	324	305	27.48	888	324	305	27.48	3,207	1,171	1,109	18.31
2022	1,021	373	348	32.42	1,492	545	510	40.90	4,008	1,463	1,380	25.43
2023	1,359	496	461	34.89	2,430	887	823	47.75	5,723	2,089	1,962	29.75
2024	868	317	289	35.52	1,650	602	550	49.53	3,776	1,378	1,283	31.07
2025	628	229	208	36.12	1,065	389	353	48.58	2,604	950	882	30.00
2026	501	183	160	36.84	803	293	262	48.54	2,030	741	680	29.78
2027	421	154	133	37.85	672	245	217	49.58	1,714	626	570	30.30
2028	358	131	112	38.62	560	204	179	50.14	1,447	528	479	30.57
2029	308	113	98	39.39	477	174	154	50.94	1,239	452	413	31.03
2030	269	98	86	40.16	414	151	135	51.86	1,077	393	362	31.57
2031	236	86	77	40.92	363	132	119	52.84	946	345	319	32.18
2032	209	76	68	41.70	322	117	107	53.88	838	306	283	32.82
2033	186	68	61	42.50	285	104	95	54.97	742	271	252	33.50
2034	163	60	54	43.46	249	91	83	55.96	654	239	222	34.01
2035	145	53	48	44.36	217	79	73	56.67	577	211	197	34.36
2036	130	48	44	45.22	196	71	66	57.80	520	190	178	35.05
2037	117	43	39	46.09	176	64	59	58.92	467	170	160	35.74
2038	90	33	30	46.96	112	41	38	54.99	332	121	114	33.42
2039	79	29	26	47.86	97	35	33	55.51	289	105	99	33.78
2040	71	26	24	48.78	87	32	29	56.64	258	94	88	34.48
2041	64	23	21	49.77	78	29	26	57.73	234	85	80	35.13
2042	58	21	19	50.77	69	25	23	58.02	208	76	71	35.41
2043	52	19	17	51.66	62	23	21	59.09	187	68	64	36.10
2044	31	11	10	52.49	36	13	12	58.59	112	41	38	35.87
2045	18	6	6	53.93	18	6	6	53.93	62	23	21	33.59
2046	8	3	3	51.72	8	3	3	51.72	28	10	9	33.12
2047	7	3	2	52.74	7	3	2	52.74	25	9	8	33.78
2048	5	2	2	49.21	5	2	2	49.21	16	6	6	32.94
2049	5	2	1	50.34	5	2	1	50.34	15	5	5	33.65
2050	3	1	1	46.29	3	1	1	46.29	10	4	3	32.52
2051	1	0	0	72.55	1	0	0	72.55	4	1	1	40.96
2052	1	0	0	74.00	1	0	0	74.00	4	1	1	41.78
2053	1	0	0	75.48	1	0	0	75.48	3	1	1	42.61
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		3,055	2,781	36.69		4,715	4,314	47.72		12,270	11,433	29.20
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		3,055	2,781	36.69		4,715	4,314	47.72		12,270	11,433	29.20

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Total	Total	Process.	Crown	Other	Crown	Other	After	After			
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	0	1,009	706	1,715	0	1,715	0	92	0	33	0	59	1,656	9	544	553
2021	0	12,528	8,909	21,437	0	21,437	-2	1,207	0	340	0	867	20,572	364	5,295	5,659
2022	10,151	14,914	12,076	37,141	58	37,199	0	2,289	0	395	0	1,894	35,305	867	5,933	6,800
2023	24,318	19,752	17,274	61,345	800	62,145	4	4,275	0	585	0	3,690	58,451	1,797	8,567	10,364
2024	17,495	12,920	11,201	41,617	1,202	42,819	9	3,495	0	517	0	2,978	39,831	2,027	5,477	7,504
2025	10,092	9,584	8,254	27,931	580	28,511	11	2,448	0	426	0	2,023	26,478	2,073	3,956	6,029
2026	7,157	7,821	6,714	21,692	370	22,062	10	2,152	0	392	0	1,760	20,292	2,115	3,188	5,302
2027	6,084	6,779	5,801	18,664	291	18,955	10	1,983	0	350	0	1,633	17,312	2,791	2,767	5,558
2028	4,989	5,888	5,043	15,921	223	16,144	9	1,816	0	314	0	1,502	14,633	2,771	2,398	5,169
2029	4,265	5,160	4,424	13,849	184	14,033	9	1,467	0	263	0	1,204	12,820	2,826	2,102	4,928
2030	3,747	4,578	3,934	12,258	156	12,415	8	1,202	0	219	0	983	11,423	2,883	1,868	4,751
2031	3,349	4,097	3,523	10,968	136	11,105	8	1,005	0	175	0	830	10,267	2,941	1,674	4,615
2032	3,033	3,698	3,183	9,914	121	10,036	8	854	0	141	0	713	9,315	2,999	1,513	4,513
2033	2,751	3,338	2,874	8,963	109	9,072	7	730	0	108	0	621	8,443	3,059	1,366	4,426
2034	2,412	3,019	2,587	8,018	99	8,117	7	624	0	92	0	533	7,578	3,007	1,220	4,227
2035	2,071	2,740	2,340	7,152	85	7,237	6	536	0	79	0	457	6,774	2,910	1,097	4,007
2036	1,906	2,516	2,150	6,573	78	6,651	6	475	0	69	0	406	6,239	2,968	1,007	3,975
2037	1,745	2,306	1,969	6,020	72	6,092	5	422	0	61	0	361	5,726	3,027	921	3,949
2038	705	1,797	1,551	4,053	0	4,053	0	288	0	49	0	239	3,814	1,681	733	2,414
2039	579	1,599	1,380	3,558	0	3,558	0	252	0	43	0	208	3,350	1,568	644	2,213
2040	533	1,459	1,259	3,250	0	3,251	0	229	0	39	0	190	3,061	1,564	588	2,152
2041	488	1,349	1,164	3,000	0	3,001	0	210	0	36	0	175	2,826	1,595	542	2,138
2042	391	1,228	1,071	2,691	0	2,691	0	190	0	32	0	158	2,533	1,553	488	2,041
2043	359	1,123	978	2,460	0	2,460	0	175	0	29	0	146	2,314	1,555	444	1,998
2044	170	694	599	1,463	0	1,463	0	108	0	20	0	88	1,375	917	275	1,192
2045	0	417	346	764	0	764	0	59	0	13	0	46	718	454	160	614
2046	0	182	152	334	0	334	0	28	0	9	0	19	315	165	78	244
2047	0	167	140	306	0	306	0	26	0	8	0	17	289	169	72	240
2048	0	108	89	197	0	197	0	17	0	6	0	11	186	110	45	155
2049	0	100	83	183	0	183	0	16	0	6	0	10	172	112	41	154
2050	0	67	55	121	0	121	0	11	0	4	0	7	115	81	26	107
2051	0	30	25	55	0	55	0	5	0	1	0	4	52	33	14	47
2052	0	29	25	54	0	54	0	5	0	1	0	4	50	34	14	47
2053	0	28	24	52	0	52	0	5	0	1	0	3	48	34	13	47
2054	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2055	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2056	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2057	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2058	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2059	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2060	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	108,792	133,024	111,905	353,720	4,567	358,287	116	28,695	0	4,856	0	23,839	334,332	53,058	55,072	108,130
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	108,792	133,024	111,905	353,720	4,567	358,287	116	28,695	0	4,856	0	23,839	334,332	53,058	55,072	108,130
Disc	62,920	76,364	63,440	202,723	2,627	205,350	50	15,901	0	2,715	0	13,186	192,115	18,469	31,853	50,322

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	1,103	0	0	1,103	4,150	485	375	5,010	-3,907	-3,907	-3,815
2021	0	0	0	14,913	35	0	14,948	27,067	1,300	1,936	30,303	-15,355	-19,262	-17,774
2022	0	0	0	28,506	36	0	28,542	32,001	7,070	2,737	41,808	-13,266	-32,528	-28,738
2023	0	0	0	48,087	61	0	48,147	32,945	2,349	4,568	39,863	8,284	-24,244	-22,514
2024	0	0	0	32,327	40	0	32,368	4,351	159	265	4,775	27,593	3,349	-3,667
2025	0	0	0	20,449	29	14	20,464	0	0	0	0	20,464	23,814	9,039
2026	0	0	0	14,990	23	-1,713	16,725	0	0	0	0	16,725	40,539	18,481
2027	0	0	0	11,754	19	204	11,568	0	0	0	0	11,568	52,107	24,417
2028	0	0	0	9,464	16	223	9,257	0	0	0	0	9,257	61,364	28,735
2029	0	0	0	7,891	14	227	7,678	0	0	0	0	7,678	69,042	31,991
2030	0	0	0	6,672	12	232	6,452	0	0	0	0	6,452	75,494	34,479
2031	0	0	0	5,652	11	-890	6,553	0	0	0	0	6,553	82,047	36,776
2032	0	0	0	4,802	10	241	4,571	0	0	0	0	4,571	86,617	38,232
2033	0	0	0	4,018	9	246	3,780	0	0	0	0	3,780	90,398	39,327
2034	0	0	0	3,351	8	251	3,108	0	0	0	0	3,108	93,505	40,145
2035	0	0	0	2,767	7	0	2,774	0	0	0	0	2,774	96,280	40,810
2036	0	0	0	2,265	6	0	2,271	0	0	0	0	2,271	98,551	41,304
2037	0	0	0	1,777	6	0	1,783	0	0	0	0	1,783	100,333	41,656
2038	0	0	0	1,400	3	0	1,403	0	0	0	0	1,403	101,737	41,909
2039	0	0	0	1,137	3	333	807	0	0	0	0	807	102,544	42,041
2040	0	0	0	909	3	0	912	0	0	0	0	912	103,456	42,176
2041	0	0	0	688	2	0	691	0	0	0	0	691	104,146	42,270
2042	0	0	0	491	2	2,505	-2,012	0	0	0	0	-2,012	102,135	42,023
2043	0	0	0	316	2	306	11	0	0	0	0	11	102,146	42,024
2044	0	0	0	183	2	77	108	0	0	0	0	108	102,254	42,035
2045	0	0	0	104	1	0	105	0	0	0	0	105	102,358	42,044
2046	0	0	0	72	1	157	-84	0	0	0	0	-84	102,274	42,037
2047	0	0	0	49	1	111	-62	0	0	0	0	-62	102,212	42,033
2048	0	0	0	32	1	1,445	-1,413	0	0	0	0	-1,413	100,800	41,935
2049	0	0	0	19	1	1,037	-1,018	0	0	0	0	-1,018	99,782	41,871
2050	0	0	0	8	1	646	-638	0	0	0	0	-638	99,144	41,834
2051	0	0	0	5	0	0	5	0	0	0	0	5	99,149	41,834
2052	0	0	0	3	0	235	-232	0	0	0	0	-232	98,916	41,823
2053	0	0	0	1	0	0	1	0	0	0	0	1	98,917	41,823
2054	0	0	0	0	0	127	-127	0	0	0	0	-127	98,790	41,818
2055	0	0	0	0	0	106	-106	0	0	0	0	-106	98,684	41,815
2056	0	0	0	0	0	0	0	0	0	0	0	0	98,684	41,815
2057	0	0	0	0	0	0	0	0	0	0	0	0	98,684	41,815
2058	0	0	0	0	0	132	-132	0	0	0	0	-132	98,552	41,811
2059	0	0	0	0	0	0	0	0	0	0	0	0	98,552	41,811
2060	0	0	0	0	0	0	0	0	0	0	0	0	98,552	41,811
2061	0	0	0	0	0	0	0	0	0	0	0	0	98,552	41,811
2062	0	0	0	0	0	0	0	0	0	0	0	0	98,552	41,811
2063	0	0	0	0	0	0	0	0	0	0	0	0	98,552	41,811
2064	0	0	0	0	0	0	0	0	0	0	0	0	98,552	41,811
2065	0	0	0	0	0	0	0	0	0	0	0	0	98,552	41,811
2066	0	0	0	0	0	0	0	0	0	0	0	0	98,552	41,811
2067	0	0	0	0	0	0	0	0	0	0	0	0	98,552	41,811
2068	0	0	0	0	0	0	0	0	0	0	0	0	98,552	41,811
2069	0	0	0	0	0	0	0	0	0	0	0	0	98,552	41,811
Sub.	0	0	0	226,202	361	6,252	220,310	100,514	11,363	9,882	121,759	98,552	98,552	41,811
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	98,552	41,811
Tot.	0	0	0	226,202	361	6,252	220,310	100,514	11,363	9,882	121,759	98,552	98,552	41,811
Disc	0	0	0	141,792	212	-10	142,014	82,829	9,372	8,002	100,203	41,811	41,811	41,811

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	705	0	706	632	1,000	706	6	24.5	7.3	4.9
Tight Oil	Mbbl	893	60	954	900	1,000	954	8	17.5	12.6	4.9
Total: Total Oil	Mbbl	1,598	61	1,659	1,532	1,000	1,659	14	24.5	9.6	4.9
Solution Gas	MMcf	2,525	0	2,525	2,381	6,000	421	3	24.5	6.8	5.0
Residue Gas	MMcf	39,537	0	39,537	37,227	6,000	6,589	54	33.5	46.6	5.0
Shale Gas	MMcf	3,178	92	3,270	3,107	6,000	545	4	17.5	8.3	4.9
Total: Gas	MMcf	45,241	92	45,333	42,715	6,000	7,555	62	33.5	53.4	5.0
Gas Heat Content	BBtu	49,386	97	49,483	46,625	0.000	0	0	33.5	53.4	5.0
Condensate	Mbbl	298	3	301	272	1,000	301	2	33.5	47.2	4.9
Field Condensate (NGL)	Mbbl	608	0	608	547	1,000	608	5	33.5	42.3	5.0
Butane	Mbbl	524	1	525	476	1,000	525	4	33.5	55.6	5.0
Propane	Mbbl	730	0	730	640	1,000	730	6	33.5	48.4	5.0
Ethane	Mbbl	892	0	892	846	1,000	892	7	33.5	189.2	5.1
Total: NGL	Mbbl	3,052	4	3,055	2,781	1,000	3,055	25	33.5	61.1	5.0
Total: Oil+NGL	Mbbl	4,650	65	4,715	4,314	1,000	4,715	38	33.5	94.3	5.0
Total: Oil Eq.	Mboe	12,190	80	12,270	11,433	1,000	12,270	100	33.5	64.1	5.0

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties					
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total	
Light/Med Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44,200	13	24,883	13	
Tight Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	60,037	18	35,343	18	
Total: Total Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	104,236	31	60,226	31	
Solution Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,431	2	3,648	2	
Residue Gas	\$/Mcf	2.12	0.25	2.38	0.06	1.17	0.00	1.14	113,178	34	64,960	34	
Shale Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,772	3	5,164	3	
Total: Gas	\$/Mcf	2.12	0.25	2.38	0.06	1.17	0.00	1.14	128,381	38	73,772	38	
Condensate	\$/bbl	51.39	-7.01	44.38	1.40	0.00	0.00	42.98	19,096	6	11,039	6	
Field Condensate (NGL)	\$/bbl	51.39	-0.05	51.34	2.47	7.70	0.00	41.17	40,811	12	23,326	12	
Butane	\$/bbl	25.00	-10.01	14.99	0.90	0.00	0.00	14.09	19,508	6	10,966	6	
Propane	\$/bbl	23.85	-9.01	14.84	0.84	0.00	0.00	14.00	15,780	5	9,083	5	
Ethane	\$/bbl	6.54	-1.01	5.53	0.17	0.00	0.00	5.36	6,520	2	3,702	2	
Total: NGL	\$/bbl	33.87	-5.61	28.25	1.33	2.22	0.00	24.71	101,715	30	58,116	30	
Total: Oil+NGL	\$/bbl	33.87	-5.61	28.25	1.33	2.22	0.00	24.71	205,951	62	118,342	62	
Total: Oil Eq.	\$/boe	18.02	-0.11	17.91	0.62	5.19	0.00	12.10	334,332	100	192,115	100	

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**Net Present Value Before Income Tax**

	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	5.3430	8.1123	0	226,202	220,310	121,759	98,552	8.03
Non-crown Royalty	0.0000	0.0000	5	175,406	174,417	110,093	64,324	5.24
Mineral Tax	0.0000	0.0000	8	153,755	153,682	103,970	49,712	4.05
			10	141,792	142,014	100,203	41,811	3.41
			12	131,374	131,756	96,663	35,093	2.86
			15	118,061	118,545	91,742	26,803	2.18
			20	100,484	100,978	84,444	16,534	1.35

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 13:02:23

Company: **Evaluation of Gain Energy Ltd. for i3 Energy**
 Property: **Corporate**
 Description: **Summary**

Reserve Class: **Proved**
 Development Class: **Total Non-Producing**
 Pricing: **Sproule (2020-06-30)**
 Effective Date: **June 30, 2020**

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily	Yearly			Daily	Yearly			Daily	Yearly		
			bbl/d	Mbbl	Mbbl	\$/bbl	bbl/d	Mbbl	Mbbl	\$/bbl	bbl/d	Mbbl	Mbbl	\$/bbl
2020	0	4	0	0	0	0.00	13	2	2	41.53	13	2	2	41.53
2021	0	13	0	0	0	0.00	19	7	7	47.64	19	7	7	47.64
2022	10	26	280	102	95	60.25	238	87	83	58.23	523	191	179	59.26
2023	15	33	510	186	166	65.26	625	228	217	63.24	1,154	421	390	64.06
2024	15	31	262	96	79	66.65	572	209	199	64.51	848	310	283	65.09
2025	15	30	176	64	54	68.00	306	112	107	65.91	493	180	164	66.55
2026	15	30	135	49	43	69.37	204	74	71	67.28	346	126	117	67.97
2027	14	29	109	40	36	70.77	162	59	56	68.52	272	99	91	69.43
2028	13	28	91	33	30	72.19	127	46	42	69.91	218	79	72	70.86
2029	12	28	78	29	26	73.64	99	36	33	71.08	177	65	59	72.21
2030	12	25	69	25	23	75.12	84	31	28	72.50	153	56	51	73.68
2031	11	25	57	21	19	76.60	72	26	24	73.95	129	47	44	75.12
2032	11	23	51	19	17	78.13	64	23	22	75.43	114	42	39	76.63
2033	11	23	45	17	16	79.70	56	21	19	76.94	102	37	35	78.17
2034	11	22	37	14	13	81.39	50	18	17	78.48	88	32	30	79.72
2035	9	21	31	11	11	83.08	42	15	14	80.05	74	27	25	81.34
2036	9	21	28	10	10	84.74	38	14	13	81.65	66	24	23	82.97
2037	9	19	25	9	9	86.44	34	12	12	83.28	60	22	20	84.63
2038	5	16	22	8	8	88.15	0	0	0	0.00	22	8	8	88.15
2039	4	15	18	6	6	89.72	0	0	0	0.00	18	6	6	89.72
2040	4	14	16	6	5	91.51	0	0	0	0.00	16	6	5	91.51
2041	4	14	14	5	5	93.34	0	0	0	0.00	14	5	5	93.34
2042	4	14	11	4	4	95.23	0	0	0	0.00	11	4	4	95.23
2043	4	14	10	4	3	97.13	0	0	0	0.00	10	4	3	97.13
2044	2	9	5	2	2	99.08	0	0	0	0.00	5	2	2	99.08
2045	0	6	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2046	0	3	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2047	0	3	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2048	0	2	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2049	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				760	679	69.75		1,022	965	66.52		1,802	1,664	67.80
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				760	679	69.75		1,022	965	66.52		1,802	1,664	67.80

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	0	0	0	0.00	2,591	473	449	2.36	30	5	5	2.21
2021	0	0	0	0.00	14,433	5,268	4,993	2.46	42	15	15	2.36
2022	1,071	391	369	2.30	15,151	5,530	5,191	2.71	1,197	437	415	2.57
2023	1,682	614	576	2.38	20,291	7,406	6,929	2.74	2,299	839	798	2.63
2024	974	355	329	2.42	13,751	5,019	4,700	2.78	1,525	556	530	2.69
2025	658	240	223	2.46	10,492	3,830	3,586	2.84	889	324	308	2.75
2026	505	184	172	2.50	8,612	3,143	2,925	2.89	616	225	214	2.81
2027	411	150	141	2.55	7,230	2,639	2,453	2.96	556	203	192	2.91
2028	348	127	119	2.59	6,170	2,252	2,095	3.01	447	163	154	2.97
2029	300	109	103	2.64	5,339	1,949	1,822	3.07	359	131	124	3.00
2030	264	96	91	2.69	4,417	1,612	1,510	3.14	308	112	107	3.06
2031	205	75	71	2.79	3,894	1,421	1,334	3.20	269	98	93	3.12
2032	184	67	64	2.85	3,312	1,209	1,135	3.27	238	87	82	3.18
2033	164	60	57	2.90	2,874	1,049	987	3.34	211	77	73	3.24
2034	133	48	46	2.96	2,543	928	874	3.41	190	69	66	3.31
2035	111	40	38	3.01	2,216	809	763	3.48	165	60	57	3.37
2036	100	36	35	3.08	1,970	719	679	3.55	149	54	52	3.44
2037	89	33	31	3.14	1,610	588	555	3.64	134	49	46	3.51
2038	78	28	27	3.22	1,249	456	430	3.76	0	0	0	0.00
2039	65	24	23	3.24	1,094	399	377	3.83	0	0	0	0.00
2040	59	21	20	3.30	978	357	337	3.91	0	0	0	0.00
2041	53	19	18	3.37	887	324	306	3.99	0	0	0	0.00
2042	46	17	16	3.42	795	290	274	4.06	0	0	0	0.00
2043	42	15	14	3.49	712	260	246	4.14	0	0	0	0.00
2044	19	7	7	3.56	441	161	152	4.20	0	0	0	0.00
2045	0	0	0	0.00	273	100	94	4.25	0	0	0	0.00
2046	0	0	0	0.00	122	45	42	4.22	0	0	0	0.00
2047	0	0	0	0.00	110	40	38	4.30	0	0	0	0.00
2048	0	0	0	0.00	73	27	25	4.28	0	0	0	0.00
2049	0	0	0	0.00	62	23	21	4.40	0	0	0	0.00
2050	0	0	0	0.00	42	15	14	4.36	0	0	0	0.00
2051	0	0	0	0.00	16	6	6	4.97	0	0	0	0.00
2052	0	0	0	0.00	16	6	5	5.07	0	0	0	0.00
2053	0	0	0	0.00	15	5	5	5.17	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		2,759	2,587	2.55		48,357	45,353	2.93		3,507	3,331	2.80
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		2,759	2,587	2.55		48,357	45,353	2.93		3,507	3,331	2.80

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	2,620	478	454	2.36	46	8	8	50.85	18	3	3	44.44
2021	14,475	5,284	5,008	2.46	208	76	72	56.60	65	24	22	53.07
2022	17,421	6,359	5,976	2.68	216	79	73	65.42	112	41	37	60.84
2023	24,275	8,861	8,304	2.71	262	96	88	70.73	182	66	59	65.65
2024	16,252	5,932	5,560	2.75	167	61	56	72.24	121	44	38	67.07
2025	12,041	4,395	4,117	2.81	126	46	41	73.77	82	30	25	68.97
2026	9,734	3,553	3,311	2.87	103	37	32	75.33	64	23	19	70.69
2027	8,197	2,992	2,785	2.93	86	32	26	76.92	55	20	17	71.90
2028	6,964	2,542	2,368	2.99	74	27	22	78.55	46	17	14	73.50
2029	5,998	2,189	2,049	3.05	64	23	19	80.20	39	14	12	75.12
2030	4,989	1,821	1,708	3.11	55	20	17	81.87	33	12	10	76.59
2031	4,368	1,594	1,498	3.17	48	18	15	83.50	28	10	9	78.15
2032	3,733	1,363	1,281	3.24	43	16	14	85.16	24	9	8	79.60
2033	3,249	1,186	1,117	3.31	38	14	12	86.85	21	8	7	81.12
2034	2,865	1,046	986	3.38	33	12	11	88.64	18	7	6	82.64
2035	2,492	909	858	3.45	30	11	10	90.40	16	6	5	84.20
2036	2,219	810	765	3.52	26	10	9	92.30	14	5	5	85.88
2037	1,833	669	632	3.61	23	9	8	94.14	12	4	4	87.26
2038	1,327	484	457	3.73	20	7	7	96.11	6	2	2	92.50
2039	1,159	423	400	3.80	17	6	6	98.04	5	2	2	94.34
2040	1,037	378	358	3.88	15	6	5	100.00	5	2	2	96.24
2041	940	343	324	3.95	14	5	5	101.99	4	2	1	98.20
2042	841	307	290	4.03	13	5	4	104.03	4	1	1	100.26
2043	754	275	260	4.11	11	4	4	106.08	3	1	1	102.47
2044	460	168	159	4.17	7	2	2	108.31	2	1	1	103.77
2045	273	100	94	4.25	4	1	1	110.78	1	0	0	104.57
2046	122	45	42	4.22	2	1	1	113.26	1	0	0	104.90
2047	110	40	38	4.30	1	1	0	115.52	1	0	0	107.00
2048	73	27	25	4.28	1	0	0	117.23	0	0	0	110.19
2049	62	23	21	4.40	1	0	0	119.76	0	0	0	112.08
2050	42	15	14	4.36	0	0	0	121.25	0	0	0	115.71
2051	16	6	6	4.97	0	0	0	126.16	0	0	0	113.43
2052	16	6	5	5.07	0	0	0	128.69	0	0	0	115.70
2053	15	5	5	5.17	0	0	0	131.26	0	0	0	118.01
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		54,627	51,274	2.90		633	568	74.42		356	312	69.66
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		54,627	51,274	2.90		633	568	74.42		356	312	69.66

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	31	6	5	16.80	51	9	8	15.97	27	5	5	5.78
2021	159	58	54	26.69	231	84	77	19.15	279	102	97	6.25
2022	193	70	65	34.65	269	98	88	22.38	331	121	115	6.92
2023	254	93	84	39.19	355	130	116	23.34	430	157	149	7.02
2024	163	60	53	40.05	228	83	71	23.79	279	102	97	7.18
2025	120	44	38	41.07	168	61	52	24.31	206	75	71	7.33
2026	96	35	30	42.04	135	49	40	24.83	165	60	57	7.48
2027	80	29	25	42.95	111	41	33	25.34	136	50	47	7.64
2028	68	25	21	43.84	94	34	28	25.85	114	42	39	7.72
2029	58	21	18	44.70	81	30	24	26.35	98	36	34	7.88
2030	50	18	16	45.53	70	26	21	26.86	85	31	29	8.03
2031	44	16	14	46.44	62	23	19	27.39	75	27	26	8.19
2032	39	14	13	47.37	54	20	17	27.95	67	24	23	8.35
2033	34	12	11	48.32	48	18	15	28.52	59	22	20	8.52
2034	30	11	10	49.27	41	15	13	29.08	51	19	18	8.69
2035	26	10	9	50.33	36	13	12	29.69	45	17	16	8.87
2036	23	8	8	51.18	32	12	10	30.25	39	14	14	9.03
2037	20	7	7	52.20	28	10	9	30.90	35	13	12	9.21
2038	16	6	5	53.82	22	8	7	31.63	27	10	9	9.43
2039	14	5	5	54.80	20	7	6	32.19	24	9	8	9.59
2040	12	5	4	55.89	17	6	6	32.84	21	8	7	9.78
2041	11	4	4	57.07	16	6	5	33.54	19	7	7	9.98
2042	10	4	3	58.24	14	5	5	34.29	18	6	6	10.16
2043	9	3	3	59.65	13	5	4	35.17	16	6	6	10.37
2044	5	2	2	59.74	8	3	2	35.06	10	3	3	10.54
2045	3	1	1	59.61	5	2	1	34.56	5	2	2	10.70
2046	1	0	0	52.92	2	1	1	31.85	2	1	1	10.60
2047	1	0	0	53.98	2	1	1	32.50	2	1	1	10.81
2048	1	0	0	55.06	2	1	0	34.07	2	1	1	11.03
2049	1	0	0	56.16	1	0	0	34.50	1	1	1	11.25
2050	0	0	0	57.29	1	0	0	36.22	1	0	0	11.47
2051	0	0	0	58.42	0	0	0	32.06	0	0	0	11.69
2052	0	0	0	59.59	0	0	0	32.70	0	0	0	11.92
2053	0	0	0	60.79	0	0	0	33.36	0	0	0	12.16
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		569	511	40.62		801	695	24.65		971	919	7.50
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		569	511	40.62		801	695	24.65		971	919	7.50

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	174	32	29	26.85	187	34	32	27.91	624	114	107	18.28
2021	944	344	322	27.21	963	351	329	27.62	3,375	1,232	1,163	18.44
2022	1,121	409	378	32.05	1,644	600	557	40.71	4,548	1,660	1,553	24.98
2023	1,484	542	496	34.88	2,638	963	886	47.64	6,684	2,439	2,270	28.63
2024	959	350	315	35.64	1,807	660	597	49.46	4,516	1,648	1,524	29.69
2025	702	256	228	36.28	1,195	436	392	48.76	3,202	1,169	1,078	28.76
2026	562	205	177	37.06	909	332	294	48.84	2,531	924	846	28.57
2027	468	171	148	38.17	740	270	239	49.66	2,106	769	704	28.86
2028	396	144	125	39.10	613	224	197	50.37	1,774	648	591	29.16
2029	341	124	109	39.86	518	189	168	50.93	1,517	554	509	29.42
2030	293	107	94	40.47	446	163	146	51.83	1,278	466	430	30.23
2031	257	94	84	41.13	386	141	127	52.48	1,114	407	377	30.64
2032	227	83	74	41.85	341	125	113	53.52	963	352	327	31.52
2033	201	73	66	42.57	303	110	101	54.53	844	308	287	32.29
2034	173	63	57	43.67	261	95	87	55.76	739	270	252	32.81
2035	153	56	51	44.46	227	83	76	56.43	642	235	219	33.34
2036	134	49	45	45.57	200	73	68	57.97	570	208	195	34.08
2037	119	43	40	46.14	179	65	60	58.99	484	177	166	35.43
2038	91	33	31	46.81	113	41	38	54.82	334	122	114	33.36
2039	80	29	27	47.69	97	36	33	55.33	290	106	99	33.70
2040	71	26	24	48.60	87	32	29	56.45	260	95	89	34.40
2041	65	24	22	49.59	79	29	27	57.52	236	86	81	35.05
2042	58	21	20	50.58	70	25	23	57.80	210	77	72	35.33
2043	52	19	18	51.46	63	23	21	58.86	188	69	64	36.01
2044	32	12	11	52.17	36	13	12	58.23	113	41	39	35.73
2045	18	7	6	53.38	18	7	6	53.38	64	23	22	33.42
2046	8	3	3	50.76	8	3	3	50.76	29	11	10	32.81
2047	8	3	3	51.72	8	3	3	51.72	26	9	9	33.45
2048	5	2	2	48.12	5	2	2	48.12	17	6	6	32.57
2049	5	2	1	50.34	5	2	1	50.34	15	5	5	33.65
2050	3	1	1	46.29	3	1	1	46.29	10	4	3	32.52
2051	1	0	0	72.55	1	0	0	72.55	4	1	1	40.96
2052	1	0	0	74.00	1	0	0	74.00	4	1	1	41.78
2053	1	0	0	75.48	1	0	0	75.48	3	1	1	42.61
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		3,329	3,005	36.65		5,132	4,669	47.59		14,236	13,215	28.29
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		3,329	3,005	36.65		5,132	4,669	47.59		14,236	13,215	28.29

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Royalty	Pre-Processing	Allowance	Royalty	Revenue	After	After	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Interest	Interest	Interest	Process.	Crown	Other	Crown					
M\$	M\$	M\$	M\$	M\$	Total	Total	Expense	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	93	1,126	849	2,068	13	2,081	1	137	0	49	0	88	1,991	95	658	753
2021	302	13,003	9,364	22,669	50	22,719	6	1,354	15	383	2	983	21,730	662	5,625	6,288
2022	11,243	17,000	13,096	41,340	122	41,462	18	2,861	42	635	5	2,262	39,182	1,640	7,276	8,917
2023	26,240	23,921	18,838	68,999	855	69,854	20	5,348	51	1,031	5	4,363	65,471	3,264	11,291	14,554
2024	19,057	16,217	12,405	47,680	1,249	48,929	24	4,296	33	846	4	3,480	45,426	3,403	7,652	11,054
2025	11,435	12,296	9,261	32,992	621	33,613	24	3,086	28	682	3	2,429	31,161	3,469	5,755	9,224
2026	8,255	10,160	7,584	25,998	398	26,397	20	2,665	24	598	3	2,088	24,289	3,538	4,735	8,273
2027	6,629	8,745	6,500	21,874	308	22,182	18	2,229	20	452	2	1,796	20,368	3,814	4,016	7,830
2028	5,431	7,580	5,630	18,641	239	18,880	17	2,013	12	397	1	1,626	17,237	3,703	3,486	7,188
2029	4,506	6,650	4,941	16,097	198	16,295	16	1,622	11	332	1	1,300	14,979	3,631	3,041	6,672
2030	3,964	5,644	4,321	13,929	170	14,098	15	1,317	10	270	1	1,056	13,028	3,484	2,565	6,050
2031	3,416	5,046	3,852	12,314	148	12,463	14	1,096	0	219	0	877	11,571	3,421	2,269	5,690
2032	3,092	4,412	3,456	10,960	124	11,084	9	924	0	174	0	750	10,325	3,389	1,967	5,356
2033	2,803	3,920	3,115	9,838	111	9,949	8	787	0	135	0	652	9,289	3,409	1,740	5,150
2034	2,459	3,528	2,759	8,746	99	8,845	7	672	0	115	0	557	8,281	3,307	1,538	4,846
2035	2,112	3,134	2,487	7,733	86	7,819	6	574	0	97	0	477	7,336	3,167	1,346	4,513
2036	1,943	2,847	2,225	7,015	78	7,094	6	504	0	84	0	420	6,668	3,166	1,206	4,372
2037	1,777	2,410	1,999	6,187	72	6,259	5	433	0	66	0	367	5,886	3,112	986	4,098
2038	705	1,806	1,558	4,069	0	4,069	0	289	0	50	0	240	3,830	1,688	736	2,424
2039	579	1,608	1,387	3,573	0	3,574	0	253	0	44	0	209	3,365	1,575	647	2,222
2040	533	1,467	1,266	3,265	0	3,265	0	230	0	40	0	190	3,075	1,571	591	2,161
2041	488	1,357	1,170	3,014	0	3,015	0	212	0	36	0	175	2,839	1,602	545	2,147
2042	391	1,236	1,077	2,704	0	2,704	0	191	0	32	0	159	2,545	1,560	491	2,051
2043	359	1,130	984	2,473	0	2,473	0	176	0	29	0	147	2,326	1,562	446	2,008
2044	170	701	604	1,475	0	1,475	0	109	0	20	0	89	1,387	924	277	1,201
2045	0	424	352	776	0	776	0	60	0	14	0	46	729	462	162	624
2046	0	188	157	345	0	345	0	29	0	9	0	19	326	173	80	253
2047	0	173	144	317	0	317	0	27	0	9	0	18	299	176	74	250
2048	0	114	94	208	0	208	0	18	0	6	0	12	196	118	47	164
2049	0	100	83	183	0	183	0	16	0	6	0	10	172	112	41	154
2050	0	67	55	121	0	121	0	11	0	4	0	7	115	81	26	107
2051	0	30	25	55	0	55	0	5	0	1	0	4	52	33	14	47
2052	0	29	25	54	0	54	0	5	0	1	0	4	50	34	14	47
2053	0	28	24	52	0	52	0	5	0	1	0	3	48	34	13	47
2054	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2055	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2056	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2057	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2058	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2059	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2060	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	117,979	158,097	121,687	397,764	4,942	402,706	233	33,552	245	6,868	28	26,902	375,572	65,377	71,357	136,734
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	117,979	158,097	121,687	397,764	4,942	402,706	233	33,552	245	6,868	28	26,902	375,572	65,377	71,357	136,734
Disc	68,915	90,924	69,333	229,172	2,885	232,057	123	19,020	164	3,992	18	15,173	216,761	25,311	41,376	66,687

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	1,239	70	0	1,309	4,200	523	440	5,162	-3,853	-3,853	-3,763
2021	0	0	0	15,442	40	0	15,482	27,070	1,300	2,084	30,454	-14,972	-18,825	-17,374
2022	0	0	0	30,265	196	0	30,461	32,393	7,095	3,046	42,534	-12,073	-30,898	-27,351
2023	0	0	0	50,917	322	0	51,239	32,945	2,349	4,568	39,863	11,376	-19,522	-18,804
2024	0	0	0	34,371	232	0	34,603	4,351	186	265	4,802	29,801	10,280	1,551
2025	0	0	0	21,937	183	14	22,106	0	0	0	22,106	32,385	15,277	15,277
2026	0	0	0	16,016	150	-1,713	17,879	0	0	0	17,879	50,264	25,369	25,369
2027	0	0	0	12,538	105	204	12,439	0	0	0	12,439	62,703	31,752	31,752
2028	0	0	0	10,049	91	555	9,585	0	0	0	9,585	72,287	36,223	36,223
2029	0	0	0	8,308	79	369	8,018	0	0	0	8,018	80,305	39,624	39,624
2030	0	0	0	6,978	69	232	6,816	0	0	0	6,816	87,121	42,251	42,251
2031	0	0	0	5,882	41	-441	6,363	0	0	0	6,363	93,484	44,481	44,481
2032	0	0	0	4,969	35	434	4,570	0	0	0	4,570	98,054	45,938	45,938
2033	0	0	0	4,139	31	406	3,764	0	0	0	3,764	101,818	47,028	47,028
2034	0	0	0	3,436	27	745	2,718	0	0	0	2,718	104,535	47,743	47,743
2035	0	0	0	2,823	24	160	2,687	0	0	0	2,687	107,222	48,387	48,387
2036	0	0	0	2,296	20	231	2,086	0	0	0	2,086	109,307	48,840	48,840
2037	0	0	0	1,788	18	108	1,698	0	0	0	1,698	111,005	49,176	49,176
2038	0	0	0	1,406	4	98	1,313	0	0	0	1,313	112,318	49,412	49,412
2039	0	0	0	1,143	4	446	701	0	0	0	701	113,019	49,527	49,527
2040	0	0	0	914	3	112	805	0	0	0	805	113,824	49,647	49,647
2041	0	0	0	692	3	270	425	0	0	0	425	114,249	49,704	49,704
2042	0	0	0	495	3	2,658	-2,161	0	0	0	-2,161	112,088	49,439	49,439
2043	0	0	0	318	3	306	14	0	0	0	14	112,102	49,440	49,440
2044	0	0	0	185	2	77	111	0	0	0	111	112,213	49,452	49,452
2045	0	0	0	105	1	0	107	0	0	0	107	112,320	49,461	49,461
2046	0	0	0	73	1	157	-83	0	0	0	-83	112,237	49,454	49,454
2047	0	0	0	49	1	111	-61	0	0	0	-61	112,177	49,450	49,450
2048	0	0	0	32	1	1,445	-1,412	0	0	0	-1,412	110,765	49,352	49,352
2049	0	0	0	19	1	1,037	-1,018	0	0	0	-1,018	109,747	49,288	49,288
2050	0	0	0	8	1	646	-638	0	0	0	-638	109,109	49,251	49,251
2051	0	0	0	5	0	0	5	0	0	0	5	109,114	49,251	49,251
2052	0	0	0	3	0	235	-232	0	0	0	-232	108,881	49,240	49,240
2053	0	0	0	1	0	17	-16	0	0	0	-16	108,865	49,240	49,240
2054	0	0	0	0	0	127	-127	0	0	0	-127	108,738	49,235	49,235
2055	0	0	0	0	0	106	-106	0	0	0	-106	108,632	49,231	49,231
2056	0	0	0	0	0	0	0	0	0	0	0	108,632	49,231	49,231
2057	0	0	0	0	0	0	0	0	0	0	0	108,632	49,231	49,231
2058	0	0	0	0	0	132	-132	0	0	0	-132	108,499	49,227	49,227
2059	0	0	0	0	0	0	0	0	0	0	0	108,499	49,227	49,227
2060	0	0	0	0	0	0	0	0	0	0	0	108,499	49,227	49,227
2061	0	0	0	0	0	0	0	0	0	0	0	108,499	49,227	49,227
2062	0	0	0	0	0	0	0	0	0	0	0	108,499	49,227	49,227
2063	0	0	0	0	0	0	0	0	0	0	0	108,499	49,227	49,227
2064	0	0	0	0	0	0	0	0	0	0	0	108,499	49,227	49,227
2065	0	0	0	0	0	0	0	0	0	0	0	108,499	49,227	49,227
2066	0	0	0	0	0	0	0	0	0	0	0	108,499	49,227	49,227
2067	0	0	0	0	0	0	0	0	0	0	0	108,499	49,227	49,227
2068	0	0	0	0	0	0	0	0	0	0	0	108,499	49,227	49,227
2069	0	0	0	0	0	0	0	0	0	0	0	108,499	49,227	49,227
Sub.	0	0	0	238,838	1,761	9,285	231,314	100,959	11,453	10,403	122,815	108,499	108,499	49,227
Rem.	0	0	0	0	0	0	0	0	0	0	0	108,499	108,499	49,227
Tot.	0	0	0	238,838	1,761	9,285	231,314	100,959	11,453	10,403	122,815	108,499	108,499	49,227
Disc	0	0	0	150,074	1,081	819	150,335	83,205	9,448	8,455	101,108	49,227	49,227	49,227

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	759	0	760	679	1,000	760	5	24.5	7.4	5.0
Tight Oil	Mbbl	959	63	1,022	965	1,000	1,022	7	17.5	208.2	4.9
Total: Total Oil	Mbbl	1,719	63	1,782	1,644	1,000	1,782	13	24.5	363.0	4.9
Solution Gas	MMcf	2,759	0	2,759	2,587	6,000	460	3	24.5	7.1	5.1
Residue Gas	MMcf	48,304	53	48,357	45,353	6,000	8,059	57	33.5	51.1	5.1
Shale Gas	MMcf	3,411	97	3,507	3,331	6,000	585	4	17.5	321.8	4.8
Total: Gas	MMcf	54,473	149	54,623	51,271	6,000	9,104	64	33.5	57.1	5.1
Gas Heat Content	BBtu	58,898	158	59,055	55,440	0.000	0	0	33.5	57.1	5.1
Condensate	Mbbl	353	3	356	312	1,000	356	2	33.5	53.7	5.0
Field Condensate (NGL)	Mbbl	632	0	633	568	1,000	633	4	33.5	37.4	4.9
Butane	Mbbl	567	1	569	511	1,000	569	4	33.5	50.0	5.0
Propane	Mbbl	799	1	801	695	1,000	801	6	33.5	43.0	4.9
Ethane	Mbbl	969	2	971	919	1,000	971	7	33.5	99.2	5.0
Total: NGL	Mbbl	3,320	9	3,329	3,005	1,000	3,329	23	33.5	52.6	5.0
Total: Oil+NGL	Mbbl	5,060	72	5,131	4,669	1,000	5,131	36	33.5	75.2	4.9
Total: Oil Eq.	Mboe	14,139	97	14,236	13,215	1,000	14,236	100	33.5	62.5	5.0

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	47,455	13	26,780	12
Tight Oil	\$/bbl	48.61	-7.08	41.53	1.89	11.97	0.00	27.67	64,162	17	38,243	18
Total: Total Oil	\$/bbl	48.61	-7.08	41.53	1.89	11.97	0.00	27.67	111,617	30	65,023	30
Solution Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,925	2	3,937	2
Residue Gas	\$/Mcf	2.12	0.24	2.36	0.05	1.38	0.00	0.93	136,856	36	78,639	36
Shale Gas	\$/Mcf	2.12	0.08	2.21	0.10	0.45	0.00	1.65	9,315	2	5,545	3
Total: Gas	\$/Mcf	2.12	0.23	2.36	0.05	1.37	0.00	0.94	153,096	41	88,121	41
Condensate	\$/bbl	51.39	-6.95	44.44	1.86	0.00	0.00	42.58	22,204	6	12,790	6
Field Condensate (NGL)	\$/bbl	51.39	-0.54	50.85	3.41	8.14	0.00	39.30	42,268	11	24,210	11
Butane	\$/bbl	25.00	-8.20	16.80	1.71	0.00	0.00	15.09	20,999	6	11,844	5
Propane	\$/bbl	23.85	-7.88	15.97	1.77	0.00	0.00	14.21	17,103	5	9,879	5
Ethane	\$/bbl	6.54	-0.76	5.78	-0.07	0.00	0.00	5.85	7,118	2	4,090	2
Total: NGL	\$/bbl	31.63	-4.78	26.85	1.92	2.18	0.00	22.75	109,692	29	62,813	29
Total: Oil+NGL	\$/bbl	32.85	-4.94	27.91	1.92	2.88	0.00	23.11	222,461	59	128,630	59
Total: Oil Eq.	\$/boe	18.53	-0.25	18.28	0.78	6.01	0.00	11.49	375,572	100	216,761	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Net Present Value Before Income Tax

	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	6.6242	8.4351	0	238,838	231,314	122,815	108,499	7.62
Non-crown Royalty	0.0000	0.0616	5	185,500	184,062	111,069	72,994	5.13
Mineral Tax	0.0000	0.0000	8	162,694	162,514	104,902	57,612	4.05
			10	150,074	150,335	101,108	49,227	3.46
			12	139,073	139,597	97,542	42,055	2.95
			15	125,001	125,727	92,585	33,142	2.33
			20	106,401	107,215	85,233	21,982	1.54

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 13:02:23

Company: **Evaluation of Gain Energy Ltd. for i3 Energy**
 Property: **Corporate**
 Description: **Summary**

Reserve Class: **Proved**
 Development Class: **Total**
 Pricing: **Sproule (2020-06-30)**
 Effective Date: **June 30, 2020**

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl
2020	103	199	1,054	192	178	43.32	171	31	30	41.63	1,235	225	209	43.03
2021	67	148	789	288	264	49.41	111	41	39	47.64	901	329	303	49.19
2022	75	162	911	333	303	59.89	296	108	103	58.19	1,213	443	407	59.45
2023	79	165	1,038	379	339	65.00	665	243	231	63.24	1,722	629	577	64.25
2024	76	157	712	260	227	66.22	603	220	210	64.51	1,329	485	442	65.37
2025	69	148	528	193	171	67.42	331	121	115	65.89	869	317	289	66.76
2026	63	145	425	155	140	68.97	224	82	78	67.25	657	240	220	68.30
2027	58	144	356	130	117	70.33	162	59	56	68.52	518	189	173	69.76
2028	52	137	301	110	100	71.64	127	46	42	69.91	428	156	142	71.13
2029	47	131	261	95	87	72.99	99	36	33	71.08	360	131	120	72.46
2030	43	117	232	85	78	74.46	84	31	28	72.50	316	115	106	73.94
2031	40	110	199	73	67	75.86	72	26	24	73.95	271	99	91	75.35
2032	33	100	162	59	55	77.98	64	23	22	75.43	225	82	76	77.26
2033	30	92	142	52	48	79.77	56	21	19	76.94	198	72	67	78.97
2034	28	87	122	45	41	81.31	50	18	17	78.48	173	63	58	80.48
2035	25	81	106	39	36	83.08	42	15	14	80.05	149	54	50	82.22
2036	21	69	84	31	28	85.06	38	14	13	81.65	122	45	41	83.99
2037	18	49	72	26	24	86.80	34	12	12	83.28	106	39	36	85.67
2038	11	41	52	19	17	88.69	0	0	0	0.00	52	19	17	88.69
2039	8	38	38	14	13	90.31	0	0	0	0.00	38	14	13	90.31
2040	7	31	32	12	11	92.03	0	0	0	0.00	32	12	11	92.03
2041	6	31	29	10	10	93.90	0	0	0	0.00	29	10	10	93.90
2042	6	28	25	9	8	95.85	0	0	0	0.00	25	9	8	95.85
2043	5	26	20	7	7	98.88	0	0	0	0.00	20	7	7	98.88
2044	3	19	14	5	4	101.46	0	0	0	0.00	14	5	4	101.46
2045	1	14	9	3	3	104.71	0	0	0	0.00	9	3	3	104.71
2046	1	9	8	3	2	106.74	0	0	0	0.00	8	3	2	106.74
2047	1	6	7	3	2	108.85	0	0	0	0.00	7	3	2	108.85
2048	1	4	7	3	2	111.08	0	0	0	0.00	7	3	2	111.08
2049	1	3	6	2	2	113.30	0	0	0	0.00	6	2	2	113.30
2050	1	2	6	2	2	115.56	0	0	0	0.00	6	2	2	115.56
2051	1	2	6	2	2	117.86	0	0	0	0.00	6	2	2	117.86
2052	1	2	6	2	2	120.21	0	0	0	0.00	6	2	2	120.21
2053	1	1	5	2	2	122.61	0	0	0	0.00	5	2	2	122.61
2054	1	0	5	2	2	125.06	0	0	0	0.00	5	2	2	125.06
2055	1	0	5	2	1	127.55	0	0	0	0.00	5	2	1	127.55
2056	1	0	4	2	1	130.10	0	0	0	0.00	4	2	1	130.10
2057	1	0	4	2	1	132.69	0	0	0	0.00	4	2	1	132.69
2058	1	0	4	1	1	135.34	0	0	0	0.00	4	1	1	135.34
2059	1	0	4	1	1	138.04	0	0	0	0.00	4	1	1	138.04
2060	0	0	2	1	1	142.47	0	0	0	0.00	2	1	1	142.47
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				2,651	2,400	66.06		1,148	1,085	65.12		3,822	3,506	65.73
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				2,651	2,400	66.06		1,148	1,085	65.12		3,822	3,506	65.73

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	4,513	824	738	2.03	27,841	5,081	4,686	2.24	1,106	202	191	2.14
2021	3,409	1,244	1,115	2.21	34,367	12,544	11,676	2.42	643	235	223	2.36
2022	3,788	1,383	1,259	2.43	32,714	11,941	11,081	2.67	1,584	578	550	2.58
2023	3,886	1,418	1,297	2.47	35,728	13,041	12,112	2.72	2,579	941	895	2.63
2024	2,747	1,003	912	2.53	27,273	9,955	9,244	2.76	1,742	636	605	2.69
2025	2,106	769	699	2.59	22,277	8,131	7,552	2.81	1,064	388	369	2.75
2026	1,696	619	563	2.63	19,164	6,995	6,481	2.87	762	278	264	2.81
2027	1,370	500	462	2.69	16,795	6,130	5,737	2.93	562	205	194	2.91
2028	1,115	407	379	2.74	14,679	5,358	5,018	2.99	450	164	155	2.96
2029	933	341	318	2.80	12,856	4,692	4,407	3.05	361	132	125	3.00
2030	824	301	281	2.85	10,917	3,985	3,746	3.11	310	113	107	3.05
2031	690	252	235	2.91	9,645	3,520	3,313	3.17	270	99	94	3.12
2032	514	188	177	2.94	8,223	3,001	2,825	3.24	240	87	83	3.18
2033	422	154	145	2.95	7,079	2,584	2,433	3.31	213	78	74	3.24
2034	361	132	124	3.00	6,259	2,285	2,155	3.37	191	70	66	3.31
2035	313	114	107	3.05	5,496	2,006	1,893	3.44	167	61	58	3.37
2036	248	91	85	3.13	4,138	1,510	1,424	3.55	150	55	52	3.44
2037	206	75	71	3.18	3,119	1,138	1,072	3.60	135	49	47	3.51
2038	139	51	48	3.30	2,473	902	849	3.68	0	0	0	0.00
2039	105	38	36	3.40	2,080	759	714	3.77	0	0	0	0.00
2040	92	34	32	3.47	1,755	640	602	3.85	0	0	0	0.00
2041	81	30	28	3.55	1,584	578	544	3.93	0	0	0	0.00
2042	72	26	25	3.62	1,344	491	461	3.99	0	0	0	0.00
2043	60	22	21	3.66	1,199	438	411	4.08	0	0	0	0.00
2044	37	13	13	3.82	838	306	287	4.13	0	0	0	0.00
2045	17	6	6	4.19	598	218	204	4.22	0	0	0	0.00
2046	15	6	5	4.27	384	140	130	4.19	0	0	0	0.00
2047	14	5	5	4.36	207	76	71	4.26	0	0	0	0.00
2048	12	4	4	4.41	152	55	52	4.28	0	0	0	0.00
2049	11	4	4	4.50	115	42	39	4.36	0	0	0	0.00
2050	11	4	4	4.59	80	29	27	4.32	0	0	0	0.00
2051	10	4	3	4.68	53	19	18	4.54	0	0	0	0.00
2052	10	4	3	4.78	41	15	14	4.64	0	0	0	0.00
2053	9	3	3	4.87	33	12	11	4.76	0	0	0	0.00
2054	9	3	3	4.97	15	6	5	4.53	0	0	0	0.00
2055	8	3	3	5.07	14	5	5	4.62	0	0	0	0.00
2056	8	3	3	5.17	5	2	2	5.09	0	0	0	0.00
2057	7	3	2	5.27	5	2	2	5.19	0	0	0	0.00
2058	7	3	2	5.38	4	2	1	5.30	0	0	0	0.00
2059	7	2	2	5.49	4	2	1	5.40	0	0	0	0.00
2060	2	1	1	5.52	2	1	1	5.51	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		10,085	9,220	2.55		108,637	101,303	2.87		4,371	4,153	2.74
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		10,085	9,220	2.55		108,637	101,303	2.87		4,371	4,153	2.74

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	33,506	6,115	5,623	2.21	316	58	47	48.88	248	45	33	45.51
2021	38,419	14,023	13,015	2.40	423	155	132	55.82	234	85	65	52.19
2022	38,088	13,902	12,890	2.64	403	147	124	64.83	252	92	71	60.95
2023	42,197	15,402	14,306	2.69	425	155	133	70.22	301	110	87	65.93
2024	31,766	11,594	10,762	2.73	309	113	94	71.63	223	81	62	67.41
2025	25,449	9,289	8,621	2.79	248	90	75	73.12	169	62	46	69.15
2026	21,624	7,893	7,309	2.85	210	77	62	74.64	140	51	37	70.74
2027	18,728	6,836	6,393	2.91	183	67	58	76.20	119	44	39	72.30
2028	16,244	5,929	5,552	2.97	159	58	50	77.80	103	38	33	73.87
2029	14,151	5,165	4,849	3.03	137	50	44	79.49	90	33	29	75.43
2030	12,052	4,399	4,135	3.09	117	43	38	81.25	78	28	26	76.92
2031	10,605	3,871	3,642	3.15	103	38	34	82.89	67	24	22	78.53
2032	8,976	3,276	3,085	3.22	88	32	29	84.68	57	21	19	79.96
2033	7,714	2,816	2,652	3.29	75	28	25	86.44	49	18	16	81.47
2034	6,811	2,486	2,345	3.35	65	24	22	88.17	43	16	14	83.04
2035	5,976	2,181	2,058	3.42	57	21	19	90.00	38	14	13	84.65
2036	4,537	1,656	1,561	3.52	48	17	16	91.76	32	12	11	86.12
2037	3,460	1,263	1,189	3.57	40	15	13	93.65	23	8	7	87.84
2038	2,612	953	896	3.66	34	12	11	95.61	14	5	5	91.12
2039	2,186	798	750	3.75	29	10	10	97.61	12	4	4	92.77
2040	1,846	674	634	3.83	24	9	8	99.58	10	4	3	94.55
2041	1,665	608	572	3.91	21	8	7	101.59	9	3	3	96.37
2042	1,416	517	486	3.97	18	7	6	103.58	8	3	3	98.28
2043	1,259	460	432	4.06	16	6	5	105.66	7	3	2	100.21
2044	875	319	299	4.11	10	4	3	107.67	6	2	2	101.38
2045	614	224	209	4.22	7	2	2	109.95	4	2	1	102.38
2046	400	146	136	4.19	4	1	1	111.81	3	1	1	104.02
2047	222	81	76	4.26	3	1	1	114.16	1	0	0	108.24
2048	164	60	56	4.29	2	1	1	115.89	1	0	0	111.21
2049	126	46	43	4.37	1	1	0	118.42	1	0	0	113.07
2050	91	33	31	4.35	1	0	0	120.14	0	0	0	115.84
2051	63	23	21	4.57	1	0	0	123.23	0	0	0	116.43
2052	50	18	17	4.67	1	0	0	125.94	0	0	0	118.31
2053	42	15	14	4.78	1	0	0	128.70	0	0	0	120.25
2054	24	9	8	4.69	0	0	0	129.02	0	0	0	124.04
2055	23	8	8	4.78	0	0	0	131.61	0	0	0	126.50
2056	13	5	4	5.14	0	0	0	135.32	0	0	0	125.13
2057	12	4	4	5.24	0	0	0	138.02	0	0	0	127.63
2058	11	4	4	5.35	0	0	0	140.78	0	0	0	130.19
2059	11	4	4	5.46	0	0	0	143.60	0	0	0	132.79
2060	4	2	1	5.51	0	0	0	146.50	0	0	0	144.36
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		123,106	114,688	2.84		1,249	1,072	72.81		810	656	68.31
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		123,106	114,688	2.84		1,249	1,072	72.81		810	656	68.31

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	412	75	57	18.95	675	123	91	18.61	784	143	133	5.71
2021	453	166	133	25.85	716	261	205	19.23	886	323	303	6.17
2022	447	163	132	34.10	689	251	198	22.39	859	313	294	6.84
2023	474	173	143	39.17	719	263	211	23.46	888	324	305	6.98
2024	353	129	103	40.14	542	198	154	23.95	674	246	231	7.13
2025	282	103	81	41.13	436	159	122	24.51	545	199	187	7.27
2026	238	87	67	42.01	370	135	102	25.01	463	169	159	7.41
2027	206	75	67	42.87	319	117	101	25.54	399	146	137	7.58
2028	178	65	58	43.79	275	100	87	26.09	342	125	117	7.73
2029	154	56	51	44.65	238	87	76	26.58	295	108	102	7.90
2030	132	48	44	45.53	204	75	65	27.08	251	92	87	8.06
2031	116	42	39	46.44	179	65	58	27.63	221	81	76	8.21
2032	98	36	33	47.35	149	54	48	28.12	183	67	63	8.41
2033	82	30	28	48.19	126	46	41	28.63	155	56	53	8.56
2034	71	26	24	49.16	109	40	35	29.22	134	49	46	8.73
2035	62	23	21	50.08	95	35	31	29.80	116	42	40	8.91
2036	52	19	18	50.99	80	29	26	30.44	101	37	35	9.10
2037	42	15	14	52.06	65	24	21	31.17	83	30	29	9.29
2038	34	12	11	53.28	52	19	17	31.95	67	25	23	9.48
2039	28	10	10	54.39	43	16	14	32.51	55	20	19	9.64
2040	24	9	8	55.34	36	13	11	33.17	46	17	16	9.82
2041	21	8	7	56.43	32	12	10	33.82	41	15	14	10.01
2042	18	7	6	57.46	28	10	9	34.59	35	13	12	10.19
2043	16	6	5	58.63	24	9	8	35.33	31	11	11	10.39
2044	11	4	4	58.62	17	6	5	35.52	22	8	7	10.57
2045	8	3	3	59.22	12	4	4	35.88	14	5	5	10.79
2046	5	2	2	58.32	9	3	3	36.05	11	4	4	10.96
2047	3	1	1	59.90	5	2	2	36.45	7	3	2	11.21
2048	2	1	1	61.05	4	1	1	37.56	5	2	2	11.38
2049	2	1	1	61.91	3	1	1	38.17	4	2	1	11.62
2050	1	0	0	63.81	3	1	1	39.69	4	1	1	11.86
2051	1	0	0	66.78	2	1	1	40.83	2	1	1	12.27
2052	1	0	0	66.92	1	1	0	40.98	2	1	1	12.46
2053	1	0	0	67.32	1	0	0	41.21	1	0	0	12.66
2054	0	0	0	71.57	1	0	0	44.66	1	0	0	12.99
2055	0	0	0	73.03	1	0	0	45.56	1	0	0	13.25
2056	0	0	0	78.11	0	0	0	47.88	1	0	0	13.93
2057	0	0	0	79.68	0	0	0	48.84	1	0	0	14.21
2058	0	0	0	81.27	0	0	0	49.82	1	0	0	14.49
2059	0	0	0	82.90	0	0	0	50.81	1	0	0	14.78
2060	0	0	0	87.37	0	0	0	52.59	0	0	0	15.09
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		1,397	1,173	39.28		2,162	1,760	24.49		2,678	2,519	7.38
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		1,397	1,173	39.28		2,162	1,760	24.49		2,678	2,519	7.38

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	2,434	444	361	21.17	3,670	670	570	28.53	9,254	1,689	1,508	19.31
2021	2,712	990	837	24.63	3,613	1,319	1,140	30.75	10,016	3,656	3,310	20.30
2022	2,650	967	820	29.45	3,863	1,410	1,227	38.87	10,211	3,727	3,376	24.56
2023	2,807	1,025	879	32.53	4,530	1,653	1,455	44.59	11,562	4,220	3,840	27.29
2024	2,100	767	645	32.90	3,429	1,252	1,087	45.48	8,723	3,184	2,881	27.84
2025	1,679	613	512	33.37	2,549	930	801	44.76	6,790	2,478	2,238	27.27
2026	1,421	519	427	33.98	2,078	758	647	44.83	5,682	2,074	1,865	27.25
2027	1,226	447	402	34.70	1,744	636	575	45.12	4,865	1,776	1,640	27.38
2028	1,057	386	347	35.57	1,485	542	489	45.82	4,192	1,530	1,414	27.74
2029	914	334	302	36.36	1,274	465	422	46.56	3,632	1,326	1,230	28.13
2030	783	286	259	37.16	1,099	401	365	47.73	3,107	1,134	1,054	28.86
2031	686	250	228	37.84	957	349	320	48.47	2,725	995	926	29.29
2032	575	210	192	38.88	800	292	268	49.68	2,296	838	782	29.90
2033	487	178	163	39.83	685	250	230	51.16	1,971	719	672	30.65
2034	423	155	142	40.72	596	218	200	52.23	1,731	632	591	31.17
2035	368	134	123	41.66	516	189	174	53.34	1,512	552	517	31.73
2036	313	114	105	41.99	435	159	146	53.78	1,191	435	407	33.05
2037	253	92	85	42.44	360	131	121	55.23	936	342	319	34.43
2038	201	73	67	42.83	253	92	85	52.20	688	251	234	33.07
2039	166	61	56	44.19	204	74	68	52.73	568	207	193	33.37
2040	139	51	46	45.07	171	62	57	53.89	479	175	163	34.02
2041	124	45	41	46.12	153	56	51	55.10	430	157	146	34.69
2042	107	39	36	46.87	132	48	44	56.03	368	134	125	35.38
2043	94	34	31	47.95	115	42	38	56.86	324	118	110	35.82
2044	66	24	22	47.89	80	29	26	57.26	226	82	76	36.22
2045	45	17	15	49.36	54	20	18	58.35	156	57	53	36.71
2046	32	12	11	47.29	40	15	13	59.03	107	39	36	37.88
2047	19	7	6	46.48	27	10	9	63.80	63	23	21	41.57
2048	14	5	5	45.27	21	8	7	66.65	48	18	16	43.60
2049	11	4	4	46.79	18	6	6	71.23	39	14	13	46.78
2050	9	3	3	44.62	15	6	5	73.47	30	11	10	49.74
2051	6	2	2	48.79	12	4	4	81.66	23	8	7	56.63
2052	5	2	2	50.55	10	4	3	87.71	19	7	6	60.99
2053	4	1	1	52.54	9	3	3	93.05	16	6	5	65.07
2054	3	1	1	47.23	8	3	2	97.95	12	4	4	73.91
2055	3	1	1	48.22	7	3	2	99.91	11	4	4	75.41
2056	2	1	1	54.24	6	2	2	110.24	8	3	3	89.83
2057	2	1	0	55.33	6	2	2	112.38	8	3	2	91.52
2058	1	1	0	56.44	5	2	2	114.55	7	3	2	93.25
2059	1	0	0	57.57	5	2	2	116.76	7	3	2	95.00
2060	1	0	0	56.01	3	1	1	121.53	3	1	1	102.22
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		8,296	7,180	33.01		12,118	10,687	43.33		32,636	29,801	26.81
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		8,296	7,180	33.01		12,118	10,687	43.33		32,636	29,801	26.81

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing	Allowance		Royalty	Revenue		Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Total	Total	Process.	Crown	Other	Crown	Other	Process.	Royalty	Fixed	Variable	Total
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	9,507	13,054	9,171	31,732	884	32,615	298	3,849	373	1,332	67	2,823	29,494	9,573	8,688	18,261
2021	15,849	33,020	24,007	72,876	1,342	74,218	366	7,964	645	2,392	105	6,112	67,740	13,485	18,152	31,636
2022	25,978	36,141	28,108	90,227	1,317	91,544	320	9,759	658	2,352	95	7,970	83,253	14,036	18,071	32,107
2023	39,440	40,907	32,952	113,299	1,888	115,187	281	11,825	596	2,524	82	9,815	105,091	15,558	20,786	36,344
2024	30,449	31,240	24,879	86,568	2,065	88,633	217	9,861	487	2,116	71	8,161	80,255	15,320	16,071	31,391
2025	20,513	25,591	20,195	66,299	1,286	67,585	170	7,810	420	1,794	59	6,377	61,037	14,352	12,876	27,228
2026	15,922	22,199	17,398	55,518	985	56,503	152	6,801	379	1,598	54	5,529	50,822	13,939	11,113	25,052
2027	12,842	19,635	15,326	47,804	817	48,621	140	4,093	330	854	48	3,520	44,960	13,424	9,734	23,157
2028	10,839	17,398	13,555	41,792	662	42,453	120	3,625	245	747	40	3,084	39,249	12,850	8,635	21,485
2029	9,289	15,447	11,978	36,714	574	37,289	110	3,010	215	638	36	2,550	34,629	12,289	7,656	19,945
2030	8,329	13,419	10,488	32,236	493	32,729	99	2,535	193	538	33	2,157	30,474	11,429	6,683	18,112
2031	7,309	12,052	9,362	28,723	410	29,133	86	2,167	166	457	27	1,849	27,197	10,993	5,969	16,961
2032	6,212	10,431	8,068	24,711	346	25,056	70	1,822	124	380	22	1,544	23,442	9,779	5,149	14,928
2033	5,593	9,162	7,017	21,772	283	22,055	60	1,563	112	312	20	1,343	20,652	9,170	4,513	13,683
2034	4,956	8,258	6,242	19,455	242	19,697	53	1,363	90	274	15	1,164	18,481	8,737	4,053	12,791
2035	4,363	7,393	5,546	17,301	216	17,518	49	1,190	85	238	14	1,023	16,445	8,300	3,584	11,884
2036	3,648	5,774	4,752	14,174	190	14,364	44	978	73	188	13	851	13,469	7,119	2,713	9,831
2037	3,243	4,469	3,891	11,602	163	11,765	34	804	69	144	12	717	11,014	6,094	2,114	8,208
2038	1,650	3,460	3,118	8,229	74	8,303	22	579	65	111	12	521	7,760	3,988	1,584	5,572
2039	1,226	2,966	2,662	6,854	68	6,923	20	486	53	92	10	436	6,466	3,370	1,316	4,687
2040	1,061	2,554	2,267	5,883	62	5,945	18	431	42	80	8	386	5,541	2,981	1,118	4,099
2041	968	2,359	2,079	5,406	44	5,450	13	398	40	73	7	358	5,080	2,943	1,025	3,968
2042	847	2,043	1,828	4,718	35	4,752	9	352	39	63	7	321	4,423	2,717	881	3,598
2043	709	1,861	1,651	4,221	20	4,241	2	321	37	57	7	295	3,945	2,574	784	3,357
2044	509	1,310	1,151	2,971	14	2,985	2	237	34	45	6	220	2,763	1,778	562	2,340
2045	327	942	813	2,082	13	2,095	1	173	32	33	6	167	1,926	1,198	408	1,606
2046	304	610	553	1,467	7	1,475	1	130	32	26	5	130	1,344	815	286	1,100
2047	293	343	325	961	2	963	1	88	18	16	3	87	875	481	191	672
2048	278	255	235	768	2	770	1	76	17	13	3	78	692	357	144	501
2049	268	199	190	658	2	660	1	67	17	10	3	71	588	298	117	415
2050	259	144	146	550	0	550	1	62	16	8	3	67	482	234	95	329
2051	251	105	114	470	0	470	1	54	16	5	3	62	407	189	81	270
2052	243	86	89	418	0	418	0	51	10	5	1	55	363	152	68	220
2053	234	73	73	381	0	381	0	48	6	4	0	50	331	130	60	190
2054	227	41	46	313	0	313	0	42	6	3	0	45	269	94	45	139
2055	219	40	44	303	0	303	0	40	6	3	0	43	260	96	43	139
2056	213	24	31	268	0	268	0	36	6	1	0	40	228	77	37	114
2057	205	23	30	258	0	258	0	35	5	1	0	38	220	78	36	114
2058	198	22	30	250	0	250	0	33	5	1	0	37	213	80	35	115
2059	192	22	29	242	0	242	0	32	5	1	0	36	206	81	34	115
2060	99	8	12	119	0	119	0	20	0	1	0	20	100	27	16	44
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	245,061	345,079	270,453	860,593	14,506	875,100	2,764	84,810	5,768	19,527	900	70,151	802,185	231,185	175,525	406,710
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	245,061	345,079	270,453	860,593	14,506	875,100	2,764	84,810	5,768	19,527	900	70,151	802,185	231,185	175,525	406,710
Disc	147,284	201,947	156,434	505,665	9,091	514,756	1,778	52,691	3,460	12,696	533	42,923	470,055	114,531	104,776	219,307

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$		Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
						Dev. M\$	Plant M\$		Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$		
2020	9	0	-12	11,235	1,918	1,782	11,372	4,260	557	485	5,301	6,070	6,070	5,927	
2021	18	0	-23	36,109	2,494	1,800	36,803	27,070	1,300	2,084	30,454	6,349	12,419	11,699	
2022	25	0	-24	51,145	2,235	1,836	51,544	32,393	7,095	3,046	42,534	9,010	21,430	19,146	
2023	23	0	-22	68,746	1,992	1,873	68,865	32,945	2,349	4,568	39,863	29,003	50,432	40,936	
2024	18	0	-20	48,865	1,595	1,910	48,550	4,351	186	265	4,802	43,748	94,180	70,816	
2025	16	0	-18	33,811	1,294	14,024	21,082	0	0	0	0	21,082	115,262	83,907	
2026	14	0	-17	25,773	1,162	2,591	24,344	0	0	0	0	24,344	139,607	97,648	
2027	12	0	-19	21,810	1,023	3,183	19,650	0	0	0	0	19,650	159,257	107,732	
2028	11	0	-18	17,770	903	4,144	14,529	0	0	0	0	14,529	173,785	114,510	
2029	10	0	-16	14,691	792	4,528	10,954	0	0	0	0	10,954	184,739	119,155	
2030	9	0	-15	12,368	630	3,912	9,086	0	0	0	0	9,086	193,826	122,658	
2031	8	0	-14	10,242	546	3,761	7,027	0	0	0	0	7,027	200,853	125,121	
2032	7	0	-13	8,520	474	4,555	4,440	0	0	0	0	4,440	205,293	126,536	
2033	5	0	-12	6,976	423	4,477	2,922	0	0	0	0	2,922	208,215	127,382	
2034	4	0	-11	5,697	379	4,960	1,116	0	0	0	0	1,116	209,330	127,676	
2035	4	0	-10	4,568	346	2,408	2,506	0	0	0	0	2,506	211,837	128,276	
2036	3	0	-9	3,643	294	3,201	737	0	0	0	0	737	212,574	128,437	
2037	3	0	-6	2,810	260	2,371	699	0	0	0	0	699	213,273	128,575	
2038	3	0	-6	2,191	209	1,768	632	0	0	0	0	632	213,905	128,689	
2039	3	0	-6	1,783	154	5,360	-3,424	0	0	0	0	-3,424	210,481	128,129	
2040	2	0	-5	1,445	140	2,873	-1,287	0	0	0	0	-1,287	209,194	127,937	
2041	2	0	-5	1,115	129	3,985	-2,741	0	0	0	0	-2,741	206,453	127,567	
2042	2	0	-5	828	119	4,097	-3,151	0	0	0	0	-3,151	203,302	127,180	
2043	2	0	-5	591	109	3,178	-2,479	0	0	0	0	-2,479	200,823	126,903	
2044	1	0	-4	426	100	1,591	-1,066	0	0	0	0	-1,066	199,758	126,795	
2045	1	0	-4	323	90	141	272	0	0	0	0	272	200,029	126,820	
2046	1	0	-4	246	83	1,349	-1,020	0	0	0	0	-1,020	199,009	126,734	
2047	1	0	-3	205	9	514	-300	0	0	0	0	-300	198,709	126,712	
2048	1	0	-3	193	9	1,794	-1,593	0	0	0	0	-1,593	197,117	126,601	
2049	1	0	-3	175	7	1,520	-1,338	0	0	0	0	-1,338	195,778	126,517	
2050	1	0	-3	155	3	1,136	-979	0	0	0	0	-979	194,799	126,461	
2051	1	0	-2	139	2	1,987	-1,845	0	0	0	0	-1,845	192,954	126,365	
2052	1	0	0	143	2	507	-363	0	0	0	0	-363	192,591	126,347	
2053	1	0	0	140	1	145	-4	0	0	0	0	-4	192,587	126,347	
2054	1	0	0	130	1	1,974	-1,844	0	0	0	0	-1,844	190,743	126,275	
2055	1	0	0	121	1	126	-5	0	0	0	0	-5	190,739	126,275	
2056	0	0	0	113	0	8	105	0	0	0	0	105	190,843	126,278	
2057	0	0	0	105	0	184	-79	0	0	0	0	-79	190,765	126,276	
2058	0	0	0	98	0	682	-585	0	0	0	0	-585	190,180	126,260	
2059	0	0	0	90	0	0	90	0	0	0	0	90	190,270	126,262	
2060	0	0	0	56	0	2,839	-2,783	0	0	0	0	-2,783	187,487	126,201	
2061	0	0	0	0	0	0	0	0	0	0	0	0	187,487	126,201	
2062	0	0	0	0	0	0	0	0	0	0	0	0	187,487	126,201	
2063	0	0	0	0	0	0	0	0	0	0	0	0	187,487	126,201	
2064	0	0	0	0	0	18	-18	0	0	0	0	-18	187,469	126,201	
2065	0	0	0	0	0	1,439	-1,439	0	0	0	0	-1,439	186,030	126,181	
2066	0	0	0	0	0	0	0	0	0	0	0	0	186,030	126,181	
2067	0	0	0	0	0	0	0	0	0	0	0	0	186,030	126,181	
2068	0	0	0	0	0	0	0	0	0	0	0	0	186,030	126,181	
2069	0	0	0	0	0	10,452	-10,452	0	0	0	0	-10,452	175,578	126,083	
Sub.	223	0	-337	395,588	19,928	116,985	298,532	101,019	11,487	10,448	122,954	175,578	175,578	126,083	
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	175,578	126,083	
Tot.	223	0	-337	395,588	19,928	116,985	298,532	101,019	11,487	10,448	122,954	175,578	175,578	126,083	
Disc	124	0	-161	250,786	12,476	35,936	227,326	83,264	9,481	8,498	101,243	126,083	126,083	126,083	

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	2,624	27	2,651	2,400	1,000	2,651	8	40.5	6.9	4.5
Tight Oil	Mbbl	1,082	66	1,148	1,085	1,000	1,148	4	17.5	18.4	4.7
Total: Total Oil	Mbbl	3,706	93	3,800	3,485	1,000	3,800	12	40.5	8.5	4.6
Solution Gas	MMcf	9,973	111	10,085	9,220	6,000	1,681	5	40.5	6.1	4.2
Residue Gas	MMcf	107,012	1,625	108,637	101,303	6,000	18,106	55	40.5	10.7	5.2
Shale Gas	MMcf	4,232	139	4,371	4,153	6,000	729	2	17.5	10.8	4.4
Total: Gas	MMcf	121,217	1,875	123,093	114,676	6,000	20,515	63	40.5	10.1	5.1
Gas Heat Content	BBtu	130,502	1,990	132,492	123,412	0.000	0	0	40.5	10.1	5.1
Condensate	Mbbl	795	15	810	656	1,000	810	2	40.5	9.0	4.9
Field Condensate (NGL)	Mbbl	1,240	8	1,249	1,072	1,000	1,249	4	40.5	10.8	5.0
Butane	Mbbl	1,372	25	1,397	1,173	1,000	1,397	4	40.5	9.3	4.9
Propane	Mbbl	2,137	25	2,162	1,760	1,000	2,162	7	40.5	8.8	4.9
Ethane	Mbbl	2,635	43	2,678	2,519	1,000	2,678	8	40.5	9.4	5.0
Total: NGL	Mbbl	8,180	116	8,296	7,180	1,000	8,296	25	40.5	9.3	4.9
Total: Oil+NGL	Mbbl	11,909	209	12,118	10,686	1,000	12,118	37	40.5	9.0	4.8
Total: Oil Eq.	Mboe	32,114	521	32,636	29,801	1,000	32,636	100	40.5	9.7	5.0

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values					Net Revenue After Royalties					
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	48.61	-5.29	43.32	3.32	28.79	0.02	11.19	158,249	20	94,131	20
Tight Oil	\$/bbl	48.61	-6.98	41.63	1.93	10.07	0.00	29.63	70,568	9	43,438	9
Total: Total Oil	\$/bbl	48.61	-5.53	43.08	3.12	26.20	0.02	13.74	228,817	29	137,569	29
Solution Gas	\$/Mcf	2.12	-0.10	2.03	0.08	1.14	0.01	0.80	24,591	3	15,624	3
Residue Gas	\$/Mcf	2.12	0.12	2.24	0.05	2.07	0.00	0.12	301,644	38	175,407	37
Shale Gas	\$/Mcf	2.12	0.02	2.14	0.09	1.56	0.00	0.49	11,359	1	7,203	2
Total: Gas	\$/Mcf	2.12	0.08	2.21	0.06	1.93	0.00	0.22	337,594	42	198,234	42
Condensate	\$/bbl	51.39	-5.88	45.51	12.46	0.00	0.00	33.05	46,237	6	26,283	6
Field Condensate (NGL)	\$/bbl	51.43	-2.55	48.88	8.78	6.51	0.00	33.59	78,560	10	44,755	10
Butane	\$/bbl	25.00	-6.05	18.95	5.20	0.00	0.00	13.75	47,098	6	26,127	6
Propane	\$/bbl	23.85	-5.24	18.61	5.16	0.00	0.00	13.45	43,271	5	24,762	5
Ethane	\$/bbl	6.54	-0.83	5.71	-0.09	0.00	0.00	5.80	19,400	2	11,450	2
Total: NGL	\$/bbl	24.85	-3.67	21.17	4.69	0.85	0.00	15.64	234,565	29	133,377	28
Total: Oil+NGL	\$/bbl	32.84	-4.31	28.53	4.15	9.57	0.01	14.80	464,616	58	271,816	58
Total: Oil Eq.	\$/boe	20.47	-1.16	19.31	1.85	10.59	0.01	6.87	802,251	100	470,085	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**Net Present Value Before Income Tax**

	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	12.1296	9.8548	0	395,588	298,532	122,954	175,578	5.38
Non-crown Royalty	1.1769	0.6703	5	307,906	265,688	111,206	154,482	4.73
Mineral Tax	0.0289	0.0259	8	271,050	241,932	105,039	136,893	4.19
			10	250,786	227,326	101,243	126,083	3.86
			12	233,190	213,936	97,677	116,258	3.56
			15	210,767	196,062	92,719	103,343	3.17
			20	181,267	171,383	85,366	86,017	2.64

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 13:02:23

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Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: Summary

Reserve Class: Various
 Development Class: Classifications
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Summary of Reserves and Values

	Total Probable	Proved Plus Probable Producing	Total Proved Plus Probable
MARKETABLE RESERVES			
<u>Light & Medium Oil (Mbbbl)</u>			
Total Company Interest	2,425	2,584	5,077
Working Interest	2,415	2,547	5,039
Net After Royalty	2,099	2,317	4,499
<u>Tight Oil (Mbbbl)</u>			
Total Company Interest	1,916	193	3,064
Working Interest	1,800	188	2,882
Net After Royalty	1,741	173	2,825
<u>Total Oil (Mbbbl)</u>			
Total Company Interest	4,343	2,780	8,165
Working Interest	4,217	2,737	7,946
Net After Royalty	3,841	2,493	7,348
<u>Solution Gas (MMcf)</u>			
Total Company Interest	9,393	10,225	19,478
Working Interest	9,350	10,070	19,323
Net After Royalty	8,528	9,260	17,748
<u>Residue Gas (MMcf)</u>			
Total Company Interest	55,421	76,774	164,058
Working Interest	54,864	74,665	161,876
Net After Royalty	51,559	71,364	152,862
<u>Shale Gas (MMcf)</u>			
Total Company Interest	6,664	1,350	11,035
Working Interest	6,470	1,287	10,702
Net After Royalty	6,301	1,271	10,454
<u>Total Sales Gas (MMcf)</u>			
Total Company Interest	71,479	88,359	194,585
Working Interest	70,685	86,032	191,915
Net After Royalty	66,388	81,902	181,076
<u>Natural Gas Liquids (Mbbbl)</u>			
Total Company Interest	4,882	6,428	13,178
Working Interest	4,842	6,289	13,021
Net After Royalty	4,244	5,456	11,424
<u>Oil Equivalent (Mboe)</u>			
Total Company Interest	21,138	23,934	53,774
Working Interest	20,839	23,365	52,953
Net After Royalty	19,150	21,599	48,951
BEFORE TAX PRESENT VALUE (M\$)			
0%	295,599	128,217	471,177
5%	184,205	122,904	338,686
8%	142,514	112,256	279,407
10%	121,574	105,525	247,657
12%	104,643	99,375	220,901
15%	84,827	91,268	188,170
20%	61,844	80,324	147,861

Summary of Reserves and Values

	Total Probable	Proved Plus Probable Producing	Total Proved Plus Probable
FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)			
2020 (6 Months)	-2,376	10,428	3,695
2021	4,914	23,322	11,262
2022	7,809	23,894	16,820
2023	-15,001	20,917	14,001
2024	25,120	17,517	68,868
2025	33,946	2,724	55,028

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: July 28, 2020 13:02:24

1202568 Class (F.G.I), Sproule (2020-06-30), psum

July 28, 2020 14:22:12



Company: Evaluation of Gain Energy Ltd. for I3 Energy
Property: Corporate
Description: Summary

Reserve Class: Various
Development Class: Classifications
Pricing: Sproule (2020-06-30)
Effective Date: June 30, 2020

Company Production, Reserves and Present Value Summary

Entity Description	2020 Company Interest Prod'n					Company Interest Reserves					Net After Royalty Reserves					Reserve Life Index		Before Income Tax Discounted Present Value (M\$)					
	Gas	Oil	NGL	Oil Eq.	Gas	Gas	Oil	NGL	Sulphur	Oil Eq.	Gas	Oil	NGL	Sulphur	Oil Eq.	Yrs	Index	0%	5%	8%	10%	12%	
	Mcf/d	bbl/d	bbl/d	boe/d	MMcf	MMcf	Mbbl	Mbbl	Mbbl	Mboe	MMcf	Mbbl	Mbbl	Mbbl	Mboe								
Total Probable																							
Carrot Creek	0	0	0	0	0	9	0	0	0	3	8	0	0	0	3	87.9	43	34	34	30	27	25	
Cynthia	1	0	0	0	1	906	90	105	0	347	858	85	98	0	325	999.9	2,968	1,856	1,361	1,097	877		
Edson GORR	0	0	0	0	0	21	0	0	2	5	21	0	0	0	5	181.4	184	107	80	67	56		
Edson Non-Unit	22	0	1	4	2,603	0	0	0	69	502	2,424	0	56	0	460	325.0	3,586	2,142	1,598	1,328	1,113		
Edson Unit	5	0	0	0	2,118	0	0	0	25	378	2,012	0	21	0	357	999.9	838	663	518	435	364		
Elmworth	125	3	4	28	4,772	783	609	0	783	2,187	4,217	661	511	0	1,875	215.3	23,483	14,624	11,051	9,186	7,644		
Elmworth Sour	43	47	4	58	2,290	129	43	0	554	2,126	118	37	0	509	26.0	6,232	4,210	3,327	2,862	2,476			
Gilby	20	0	1	5	647	12	40	0	159	604	11	35	0	147	90.7	1,545	1,317	1,194	1,120	1,054			
Kaybob	2	0	0	1	24	3	1	0	7	24	3	1	0	7	32.2	313	228	192	172	155			
Leedale	15	2	1	5	980	91	44	0	298	921	85	40	0	279	162.7	4,819	3,344	2,511	2,094	1,764			
Medicine River	13	1	1	5	592	93	60	0	252	557	87	53	0	233	148.8	3,821	2,496	1,969	1,699	1,479			
Muskat	0	1	0	1	12	24	0	0	26	11	22	0	0	24	105.7	568	414	342	302	268			
Nipisi	1	1	0	1	18	18	22	3	0	28	17	20	0	25	61.9	282	255	237	225	213			
Open Creek	44	0	3	10	17,038	0	1,068	0	3,908	15,804	0	922	0	3,556	999.9	46,257	27,625	21,189	18,090	15,659			
Pembina	1	0	0	1	99	45	5	0	66	95	43	5	0	63	357.1	853	471	314	234	170			
Rimbey	96	0	14	30	2,435	72	355	0	833	2,270	52	317	0	748	75.6	6,783	3,462	2,519	2,095	1,772			
Simonette GORR	14	0	0	3	212	0	4	0	39	212	0	4	0	39	40.4	511	363	306	276	252			
Simonette North Oil	0	0	0	0	16	6	1	0	9	15	5	1	0	8	122.8	108	83	70	62	55			
Simonette Minor	0	0	0	2	890	0	33	0	181	837	0	30	0	169	223.5	1,104	943	757	646	551			
Simonette North Gas	67	21	3	35	1,608	550	78	0	895	1,474	462	64	0	771	69.6	17,445	12,016	9,783	8,609	7,631			
Simonette South Oil	55	11	2	22	6,450	1,887	251	0	3,213	6,102	1,714	229	0	2,960	400.5	93,772	59,530	46,697	40,158	34,808			
Sunchild	4	0	0	1	36	0	2	0	8	36	0	2	0	8	28.0	240	154	123	108	95			
Sylvan Lake	4	0	0	1	376	5	21	0	89	333	4	17	0	77	279.1	943	435	299	240	196			
Wanyandie	6	0	0	1	105	0	9	0	26	98	0	8	0	24	50.3	139	96	79	70	62			
Wapiti Elmworth	1	0	0	0	733	0	49	0	172	684	0	46	0	160	999.9	900	539	398	326	268			
Wapiti South	613	8	55	165	7,912	380	800	0	2,498	7,412	324	715	0	2,275	41.4	31,495	20,491	16,231	14,089	12,352			
Wapiti South GORR	5	0	0	1	196	0	16	0	49	196	0	16	0	49	95.4	609	328	242	202	172			
Wilkesden Green	700	1	41	159	17,219	25	1,013	0	3,908	15,920	24	851	0	3,529	67.5	42,546	23,949	17,596	14,532	12,119			
Wilson Creek	15	0	2	5	1,161	126	178	0	497	1,098	119	162	0	463	273.6	3,210	2,028	1,503	1,224	993			
CGU 1 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0	
CGU 2 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0	
Total: Total Probable	1,884	96	135	545	71,479	4,343	4,882	0	21,138	66,388	3,841	4,244	0	19,150	295,599	184,205	142,514	121,574	104,643				
Proved Plus Probable Producing																							
Carrot Creek	19	0	3	7	31	40	5	1	11	30	1	4	0	10	4.6	105	94	88	85	85	81		
Cynthia	120	16	14	50	434	40	50	0	162	407	39	44	0	151	8.9	790	943	902	862	819			
Edson GORR	34	0	3	9	112	0	11	0	29	112	0	0	0	29	9.1	862	632	538	488	445			
Edson Non-Unit	2,153	3	57	419	6,305	17	166	0	1,234	5,889	17	132	0	1,130	8.1	8,151	6,548	5,773	5,336	4,956			
Edson Unit	2,182	0	25	389	9,754	0	113	0	1,739	9,267	0	90	0	1,635	12.2	2,992	2,972	2,732	2,559	2,392			
Elmworth	1,528	142	185	582	3,028	320	367	0	1,192	2,586	281	289	0	1,002	5.6	12,278	10,430	9,495	8,945	8,447			
Elmworth Sour	271	45	25	116	649	109	61	0	278	616	102	54	0	258	6.6	3,394	3,142	2,859	2,682	2,519			
Gilby	1,390	37	83	352	1,777	79	109	0	485	1,634	77	86	0	435	3.8	-6,437	-3,181	-2,184	-1,733	-1,394			
Kaybob	44	6	1	15	75	9	2	0	23	75	9	2	0	23	4.4	897	737	665	624	588			
Leedale	1,021	84	47	300	3,087	221	136	0	872	2,873	212	118	0	809	8.0	8,072	8,097	7,347	6,875	6,450			

Company Production, Reserves and Present Value Summary

Entity Description	2020 Company Interest Prod'n					Company Interest Reserves					Net After Royalty Reserves				Reserve Life Index			Discounted Present Value (\$M)			
	Gas Mcf/d	Oil bbl/d	Oil NGL bbl/d	Oil Eq. boe/d	Gas MIMcf	Oil Mbbbl	Oil NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MIMcf	Oil Mbbbl	Oil NGL Mbbbl	Sulphur Mlt	Oil Eq. Mboe	0%	5%	8%	10%	12%		
Proved Plus Probable Producing (Cont.)																					
Medicine River	836	96	67	302	1,665	288	159	0	725	1,557	278	131	0	669	6.6	6.069	4,956	4,422	4,123	3,862	
Muskat	46	47	1	56	64	118	1	0	130	58	108	1	0	119	6.4	1,829	1,585	1,343	1,259	1,259	
Nipsi	51	61	8	77	86	102	13	0	129	77	98	9	0	120	4.6	271	376	406	416	422	
Open Creek	4,835	0	303	1,109	13,816	0	866	0	3,169	12,662	0	714	0	2,825	7.8	28,514	21,829	18,793	17,148	15,749	
Pembina	57	11	3	23	95	31	5	0	52	94	31	5	0	51	6.1	1,291	1,042	921	852	792	
Rimber	2,058	31	300	674	8,806	250	1,283	0	3,001	8,227	198	1,130	0	2,699	12.2	13,936	10,571	9,079	8,285	7,613	
Simonette GORR	461	1	8	86	613	1	10	0	113	613	1	10	0	113	3.6	1,462	1,161	1,036	967	907	
Simonette Minor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Simonette North Gas	1,348	0	50	274	5,086	0	187	0	1,035	4,681	0	151	0	931	10.3	2,652	3,476	3,341	3,184	3,011	
Simonette North Oil	1,126	303	54	545	1,798	564	87	0	951	1,623	467	68	0	805	4.8	15,186	12,966	11,727	11,007	10,370	
Simonette South Oil	986	161	38	364	1,174	186	46	0	428	1,106	167	41	0	392	3.2	3,002	3,625	3,783	3,833	3,854	
Sunchild	50	0	3	11	98	0	5	0	22	98	0	5	0	22	5.4	592	449	393	363	338	
Sylvan Lake	572	7	33	134	2,286	28	130	0	539	2,012	24	97	0	456	11.0	4,129	2,704	2,225	1,991	1,803	
Wawayandie	218	0	18	55	463	0	39	0	116	432	0	32	0	104	5.8	384	325	295	278	263	
Wapiti Elmworth	56	0	2	8	60	0	4	0	14	57	0	3	0	13	4.6	-4	-43	-34	-29	-25	
Wapiti South	6,171	171	553	1,753	16,792	296	1,506	0	4,601	15,623	271	1,307	0	4,182	7.2	19,196	18,109	16,425	15,397	14,476	
Wapiti South GORR	367	2	29	92	971	2	77	0	241	971	2	77	0	241	7.2	2,621	1,842	1,557	1,411	1,291	
Willisten Green	1,437	29	82	351	4,492	80	260	0	1,089	4,057	78	215	0	970	8.5	1,177	3,419	3,729	3,792	3,793	
Wilson Creek	1,940	17	297	638	4,740	36	729	0	1,555	4,463	35	627	0	1,407	6.7	-3,979	-414	-143	-87	-64	
CGU 1 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	-6,787	-831	-373	-277	-234	
CGU 2 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	-6,787	-831	-373	-277	-234	0	
Total: Proved Plus Probable Producing	31,357	1,272	2,293	8,791	88,359	2,780	6,428	0	23,934	81,902	2,493	5,456	0	21,599	128,217	122,904	112,256	105,525	99,375	99,375	
Total Proved Plus Probable																					
Carrot Creek	19	0	3	7	31	1	5	0	11	30	1	4	0	10	4.6	105	94	88	85	81	
Cynthia	120	16	14	50	1,359	175	158	0	560	1,285	167	144	0	525	30.6	3,990	2,820	2,225	1,890	1,603	
Edson GORR	34	0	3	9	112	0	11	0	29	112	0	11	0	29	9.1	862	632	538	488	445	
Edson Non-Unit	2,153	3	57	419	8,314	17	219	0	1,622	7,758	17	176	0	1,486	10.6	10,119	7,597	6,479	5,871	5,352	
Edson Unit	2,182	0	25	389	9,754	0	113	0	1,739	9,267	0	90	0	1,635	12.2	2,992	2,972	2,732	2,559	2,392	
Elmworth	1,619	142	185	597	7,370	1,136	940	0	3,304	6,472	979	778	0	2,836	15.2	31,557	21,786	17,686	15,493	13,646	
Elmworth Sour	308	91	29	171	9,910	271	163	0	2,085	9,157	251	132	0	1,909	33.3	14,150	11,127	9,574	8,687	7,907	
Gilby	1,390	37	83	352	2,062	103	127	0	573	1,903	99	102	0	518	4.5	-5,503	-2,291	-1,330	-903	-589	
Kaybob	44	6	1	15	75	9	2	0	23	75	9	2	0	23	4.4	897	737	665	624	588	
Leedale	1,021	84	47	300	3,184	253	142	0	926	2,965	242	123	0	860	8.4	8,653	8,325	7,447	6,915	6,444	
Medicine River	836	96	67	302	1,665	288	159	0	725	1,557	278	131	0	669	6.6	6,069	4,956	4,422	4,123	3,862	
Muskat	46	47	1	56	64	118	1	0	130	58	108	1	0	119	6.4	1,829	1,585	1,343	1,259	1,259	
Nipsi	51	61	8	77	86	102	13	0	129	77	98	9	0	120	4.6	271	376	406	416	422	
Open Creek	4,879	0	306	1,119	55,553	0	3,482	0	12,740	51,843	0	3,076	0	11,716	31.2	101,637	65,656	51,560	44,289	38,298	
Pembina	57	11	3	23	95	31	5	0	52	94	31	5	0	51	6.1	1,291	1,042	921	852	792	
Rimber	2,135	31	311	698	8,978	250	1,308	0	3,055	8,365	198	1,147	0	2,739	12.0	13,910	10,594	9,115	8,326	7,656	
Simonette GORR	461	1	8	86	613	1	10	0	113	613	1	10	0	113	3.6	1,462	1,161	1,036	967	907	
Simonette Minor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Simonette North Gas	1,348	0	50	274	5,086	0	187	0	1,035	4,681	0	151	0	931	10.3	2,652	3,476	3,341	3,184	3,011	
Simonette North Oil	1,126	303	54	545	1,798	564	87	0	951	1,623	467	68	0	805	4.8	15,186	12,966	11,727	11,007	10,370	
Simonette South Oil	1,016	175	39	383	10,576	2,988	410	0	5,162	10,022	2,754	379	0	4,803	36.9	118,988	78,166	62,228	53,925	47,025	
Sunchild	50	0	3	11	98	0	5	0	22	98	0	5	0	22	5.4	592	449	393	363	338	
Sylvan Lake	572	7	33	134	2,286	28	130	0	539	2,012	24	97	0	456	11.0	4,199	2,773	2,294	2,059	1,871	

Company Production, Reserves and Present Value Summary

Entity Description	2020 Company Interest Prod'n				Company Interest Reserves						Net After Royalty Reserves				Reserve Life Index yrs	Before Income Tax Discounted Present Value (M\$)				
	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MMcf	Oil MMcf	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe		0%	5%	8%	10%	12%
Total Proved Plus Probable (Cont.)																				
Wanyandie	218	0	18	55	463	0	39	0	116	432	0	32	0	104	5.8	384	325	295	278	263
Wapiti Elmworth	36	0	2	8	1,052	0	71	0	246	961	0	63	0	223	81.0	938	607	474	405	348
Wapiti South	6,741	171	605	1,899	28,135	1,079	2,747	0	8,515	26,267	948	2,419	0	7,746	12.3	68,777	51,454	43,500	39,211	35,573
Wapiti South GORR	367	2	29	92	983	2	78	0	244	983	2	78	0	244	7.3	2,660	1,870	1,580	1,432	1,310
Williesden Green	4,408	29	257	1,021	27,722	80	1,628	0	6,329	25,643	78	1,379	0	5,731	17.0	51,802	32,292	25,066	21,429	18,473
Wilson Creek	2,153	17	330	706	5,627	153	865	0	1,956	5,302	146	748	0	1,777	7.6	7,392	6,440	5,824	5,446	5,101
CGU 1 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	-3,979	-414	-143	-87	-64
CGU 2 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	-6,787	-831	-373	-277	-234
Total: Total Proved Plus Probable	35,390	1,331	2,569	9,800	194,585	8,165	13,178	0	53,774	181,076	7,348	11,424	0	48,951	471,177	338,686	279,407	247,657	220,901	220,901

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Class (F.G.J.), Sproule (2020-06-30), crv

1202568

Company: **Evaluation of Gain Energy Ltd. for i3 Energy**
 Property: **Corporate**
 Description: **Summary**

Reserve Class: **Probable**
 Development Class: **Total**
 Pricing: **Sproule (2020-06-30)**
 Effective Date: **June 30, 2020**

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl
2020	1	3	85	16	14	43.68	11	2	2	41.64	96	18	16	43.44
2021	3	5	178	65	60	49.78	23	8	8	48.28	202	74	68	49.61
2022	6	5	550	201	180	60.36	54	20	19	58.29	604	221	199	60.17
2023	15	11	831	303	264	65.66	309	113	106	63.19	1,141	416	370	64.98
2024	19	13	700	255	215	66.97	596	217	206	64.41	1,297	473	421	65.78
2025	25	15	528	193	156	68.27	748	273	258	65.69	1,278	466	415	66.75
2026	22	13	397	145	117	69.30	558	204	191	67.01	957	349	308	67.95
2027	25	15	342	125	103	70.61	378	138	125	68.42	719	263	228	69.46
2028	30	19	307	112	95	72.08	297	108	96	69.79	603	220	191	70.95
2029	29	23	256	94	80	73.91	250	91	81	71.29	506	185	161	72.62
2030	28	27	231	84	73	75.32	208	76	67	72.64	439	160	140	74.05
2031	27	29	216	79	69	76.82	174	64	56	73.95	390	142	125	75.54
2032	33	32	209	76	68	77.75	156	57	50	75.43	365	133	117	76.76
2033	25	34	177	65	58	79.62	140	51	45	76.94	318	116	102	78.44
2034	26	32	171	62	56	81.26	128	47	41	78.48	299	109	97	80.07
2035	26	29	155	56	51	82.87	121	44	39	80.05	276	101	90	81.63
2036	30	36	157	57	52	84.40	112	41	36	81.65	270	98	89	83.26
2037	31	50	149	54	50	86.11	104	38	34	83.28	253	92	83	84.95
2038	37	54	150	55	50	87.84	127	46	42	84.95	277	101	92	86.51
2039	38	51	138	50	46	89.76	117	43	37	86.65	255	93	83	88.33
2040	35	53	124	45	41	91.77	108	39	33	88.38	232	85	75	90.20
2041	32	37	108	39	35	93.71	99	36	31	90.15	206	75	66	92.00
2042	29	32	98	36	32	95.59	91	33	29	91.95	189	69	61	93.84
2043	22	26	65	24	22	97.16	84	31	26	93.79	149	54	48	95.27
2044	20	29	57	21	19	98.97	74	27	23	95.67	131	48	42	97.10
2045	17	31	40	15	13	100.47	68	25	22	97.58	108	40	35	98.66
2046	16	33	35	13	11	102.33	62	23	20	99.53	97	35	31	100.53
2047	14	33	29	11	10	103.96	57	21	18	101.52	87	32	28	102.35
2048	8	33	28	10	9	106.07	0	0	0	0.00	28	10	9	106.07
2049	8	31	25	9	8	108.14	0	0	0	0.00	25	9	8	108.14
2050	5	26	16	6	5	113.11	0	0	0	0.00	16	6	5	113.11
2051	3	22	10	4	3	116.22	0	0	0	0.00	10	4	3	116.22
2052	0	16	4	1	1	120.80	0	0	0	0.00	4	1	1	120.80
2053	0	12	4	1	1	123.20	0	0	0	0.00	4	1	1	123.20
2054	0	11	4	1	1	125.66	0	0	0	0.00	4	1	1	125.66
2055	0	9	4	1	1	128.17	0	0	0	0.00	4	1	1	128.17
2056	0	7	4	1	1	130.71	0	0	0	0.00	4	1	1	130.71
2057	0	7	4	1	1	133.29	0	0	0	0.00	4	1	1	133.29
2058	0	7	3	1	1	136.10	0	0	0	0.00	3	1	1	136.10
2059	0	4	3	1	1	138.77	0	0	0	0.00	3	1	1	138.77
2060	0	2	5	2	1	140.59	0	0	0	0.00	5	2	1	140.59
2061	1	2	6	2	2	143.96	0	0	0	0.00	6	2	2	143.96
2062	1	2	6	2	2	146.84	0	0	0	0.00	6	2	2	146.84
2063	1	2	6	2	2	149.77	0	0	0	0.00	6	2	2	149.77
2064	1	1	6	2	2	152.77	0	0	0	0.00	6	2	2	152.77
2065	0	0	6	2	2	155.83	0	0	0	0.00	6	2	2	155.83
2066	0	0	5	2	1	158.94	0	0	0	0.00	5	2	1	158.94
2067	0	0	5	2	1	162.13	0	0	0	0.00	5	2	1	162.13
2068	0	0	5	2	1	165.37	0	0	0	0.00	5	2	1	165.37
2069	0	0	5	2	1	168.68	0	0	0	0.00	5	2	1	168.68
Sub.				2,410	2,087	74.38		1,916	1,741	72.92		4,328	3,830	73.72
Rem.				15	12	190.39		0	0	0.00		15	12	190.39
Tot.				2,425	2,099	75.10		1,916	1,741	72.92		4,343	3,841	74.13

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	175	32	29	1.99	1,644	300	282	2.16	65	12	11	2.12
2021	625	228	210	2.10	4,483	1,636	1,542	2.38	200	73	67	2.04
2022	1,674	611	568	2.21	4,369	1,595	1,490	2.65	352	128	121	2.46
2023	2,126	776	713	2.40	6,408	2,339	2,184	2.75	1,683	614	582	2.63
2024	2,314	845	765	2.45	13,655	4,984	4,672	2.86	2,602	950	903	2.71
2025	1,809	660	591	2.52	9,381	3,424	3,149	2.89	2,099	766	727	2.76
2026	1,567	572	511	2.58	9,255	3,378	3,114	2.95	1,539	562	533	2.82
2027	1,463	534	480	2.63	7,734	2,823	2,609	3.00	1,143	417	395	2.86
2028	1,416	517	464	2.69	7,035	2,568	2,360	3.05	933	340	322	2.91
2029	1,257	459	410	2.73	6,559	2,394	2,188	3.10	801	293	275	2.98
2030	1,167	426	381	2.78	6,406	2,338	2,150	3.15	668	244	229	3.07
2031	1,139	416	372	2.83	6,010	2,194	2,028	3.22	572	209	196	3.12
2032	1,087	397	357	2.91	5,804	2,119	1,964	3.28	517	189	176	3.18
2033	910	332	300	2.97	5,415	1,977	1,834	3.34	466	170	159	3.24
2034	853	311	282	3.04	5,047	1,842	1,709	3.41	428	156	147	3.31
2035	747	273	249	3.09	4,452	1,625	1,508	3.48	401	147	138	3.37
2036	731	267	244	3.15	4,829	1,763	1,643	3.52	373	136	129	3.44
2037	690	252	231	3.21	4,949	1,806	1,690	3.61	345	126	119	3.51
2038	665	243	223	3.27	4,899	1,788	1,678	3.68	442	161	153	3.58
2039	611	223	204	3.32	4,538	1,656	1,558	3.75	407	148	140	3.65
2040	545	199	182	3.39	4,318	1,576	1,483	3.82	375	137	129	3.72
2041	477	174	159	3.46	3,584	1,308	1,231	3.88	344	126	119	3.80
2042	430	157	143	3.53	2,716	991	931	4.03	317	116	109	3.87
2043	261	95	88	3.69	2,150	785	737	4.16	291	106	100	3.95
2044	201	73	68	3.79	2,165	790	742	4.24	263	96	91	4.03
2045	151	55	52	3.95	2,071	756	710	4.31	240	88	83	4.11
2046	128	47	44	4.03	1,985	725	681	4.41	221	81	76	4.19
2047	111	41	38	4.11	1,927	703	659	4.48	203	74	70	4.28
2048	106	39	37	4.20	1,766	645	604	4.57	0	0	0	0.00
2049	97	35	34	4.29	1,571	574	538	4.65	0	0	0	0.00
2050	57	21	20	4.23	1,282	468	439	4.72	0	0	0	0.00
2051	33	12	11	4.47	1,032	377	353	4.79	0	0	0	0.00
2052	8	3	3	4.86	700	255	240	4.88	0	0	0	0.00
2053	8	3	3	4.95	480	175	164	4.99	0	0	0	0.00
2054	8	3	3	5.05	436	159	149	5.09	0	0	0	0.00
2055	7	3	2	5.15	343	125	117	5.20	0	0	0	0.00
2056	7	3	2	5.24	293	107	100	5.27	0	0	0	0.00
2057	7	2	2	5.34	248	90	85	5.36	0	0	0	0.00
2058	5	2	2	5.35	226	83	77	5.47	0	0	0	0.00
2059	5	2	1	5.46	143	52	48	5.64	0	0	0	0.00
2060	9	3	3	5.60	80	29	27	5.65	0	0	0	0.00
2061	11	4	3	5.70	73	27	25	5.78	0	0	0	0.00
2062	10	4	3	5.81	67	25	23	5.93	0	0	0	0.00
2063	10	4	3	5.93	48	18	16	5.95	0	0	0	0.00
2064	10	4	3	6.04	27	10	9	5.90	0	0	0	0.00
2065	9	3	3	6.16	6	2	2	6.09	0	0	0	0.00
2066	9	3	3	6.29	6	2	2	6.21	0	0	0	0.00
2067	9	3	3	6.41	6	2	2	6.33	0	0	0	0.00
2068	9	3	3	6.54	5	2	2	6.46	0	0	0	0.00
2069	8	3	3	6.67	5	2	2	6.59	0	0	0	0.00
Sub.		9,373	8,508	2.80		55,411	51,549	3.35		6,664	6,301	3.04
Rem.		20	20	7.30		10	9	7.19		0	0	0.00
Tot.		9,393	8,528	2.81		55,421	51,559	3.35		6,664	6,301	3.04

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	1,884	344	322	2.14	18	3	3	50.03	14	2	2	45.48
2021	5,308	1,937	1,820	2.33	60	22	20	54.89	34	12	11	52.70
2022	6,395	2,334	2,179	2.52	61	22	19	64.24	61	22	19	61.24
2023	10,218	3,729	3,479	2.66	96	35	31	70.34	120	44	39	64.67
2024	18,572	6,779	6,340	2.79	206	75	66	72.63	200	73	65	65.54
2025	13,289	4,850	4,467	2.82	131	48	37	73.88	147	54	46	66.79
2026	12,361	4,512	4,158	2.89	134	49	39	75.44	117	43	36	68.69
2027	10,341	3,775	3,485	2.93	110	40	33	76.91	94	34	30	70.43
2028	9,383	3,425	3,146	2.98	97	35	29	78.49	83	30	26	72.11
2029	8,617	3,145	2,874	3.04	89	33	26	80.05	74	27	23	73.78
2030	8,241	3,008	2,760	3.09	85	31	25	81.56	67	25	21	75.52
2031	7,720	2,818	2,596	3.15	79	29	23	83.12	63	23	20	77.07
2032	7,407	2,704	2,498	3.22	76	28	23	84.73	60	22	19	78.75
2033	6,792	2,479	2,294	3.29	71	26	21	86.51	55	20	17	80.29
2034	6,328	2,310	2,138	3.35	68	25	20	88.25	50	18	16	82.00
2035	5,601	2,044	1,896	3.42	60	22	18	90.17	46	17	15	83.51
2036	5,933	2,165	2,016	3.47	58	21	18	92.04	45	16	14	85.32
2037	5,984	2,184	2,040	3.56	55	20	17	93.93	47	17	15	87.04
2038	6,006	2,192	2,053	3.63	52	19	16	95.79	50	18	16	88.45
2039	5,555	2,028	1,902	3.69	47	17	15	97.77	46	17	15	90.22
2040	5,239	1,912	1,794	3.77	46	17	15	99.70	42	15	13	91.97
2041	4,404	1,608	1,508	3.83	42	15	13	101.72	33	12	10	93.58
2042	3,463	1,264	1,183	3.95	38	14	12	103.74	29	11	9	95.18
2043	2,702	986	925	4.09	33	12	11	106.02	24	9	7	96.37
2044	2,629	959	901	4.18	34	13	11	108.19	21	8	7	98.55
2045	2,463	899	845	4.27	32	12	10	110.39	19	7	6	100.66
2046	2,334	852	801	4.37	30	11	10	112.65	19	7	6	102.70
2047	2,242	818	768	4.44	28	10	9	114.87	19	7	6	104.66
2048	1,872	683	641	4.55	26	9	8	117.16	11	4	4	110.12
2049	1,668	609	572	4.63	23	8	7	119.45	10	4	3	112.32
2050	1,339	489	458	4.70	19	7	6	121.86	7	3	2	114.72
2051	1,065	389	364	4.78	14	5	5	124.33	6	2	2	116.38
2052	708	258	243	4.88	10	4	3	126.96	4	1	1	119.34
2053	488	178	167	4.99	7	3	2	129.64	3	1	1	120.67
2054	443	162	152	5.09	6	2	2	132.29	3	1	1	123.11
2055	351	128	120	5.20	5	2	2	135.08	2	1	1	125.09
2056	300	109	102	5.27	4	1	1	137.58	2	1	1	128.03
2057	254	93	87	5.36	4	1	1	140.42	2	1	0	130.33
2058	231	84	79	5.47	3	1	1	143.27	1	1	0	132.96
2059	147	54	50	5.63	2	1	1	146.00	1	0	0	135.59
2060	89	32	30	5.64	1	0	0	147.24	0	0	0	140.06
2061	84	31	28	5.77	1	0	0	150.23	0	0	0	142.75
2062	78	28	26	5.91	1	0	0	153.31	0	0	0	145.45
2063	58	21	20	5.95	1	0	0	156.54	0	0	0	148.05
2064	37	13	12	5.94	0	0	0	157.72	0	0	0	153.41
2065	15	6	5	6.13	0	0	0	161.71	0	0	0	150.14
2066	15	5	5	6.26	0	0	0	164.95	0	0	0	153.16
2067	14	5	5	6.38	0	0	0	168.25	0	0	0	156.22
2068	14	5	4	6.51	0	0	0	171.61	0	0	0	159.36
2069	13	5	4	6.64	0	0	0	175.04	0	0	0	162.55
Sub.		71,449	66,359	3.25		751	631	85.74		630	544	76.73
Rem.		31	29	7.26		1	0	194.23		0	0	184.58
Tot.		71,479	66,388	3.25		751	631	85.82		631	544	76.74

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	21	4	3	16.56	38	7	6	17.55	44	8	8	5.78
2021	68	25	22	24.41	114	42	37	19.45	132	48	45	6.33
2022	85	31	27	32.66	129	47	39	22.17	143	52	49	6.89
2023	129	47	41	36.85	197	72	61	22.55	204	75	70	6.93
2024	215	79	69	37.15	330	120	103	21.76	274	100	93	6.90
2025	154	56	45	38.16	237	86	67	22.56	223	81	75	7.31
2026	144	52	43	40.37	216	79	61	23.74	226	82	77	7.43
2027	122	45	38	41.11	189	69	56	24.25	201	73	68	7.51
2028	111	40	34	41.86	175	64	52	24.74	189	69	64	7.63
2029	102	37	31	42.79	162	59	47	25.31	177	65	59	7.76
2030	96	35	29	43.81	151	55	44	25.93	166	60	56	7.89
2031	91	33	28	44.79	143	52	42	26.52	157	57	53	8.00
2032	87	32	27	45.85	137	50	41	27.19	150	55	51	8.17
2033	81	30	26	46.95	128	47	38	27.74	143	52	49	8.36
2034	76	28	24	48.00	120	44	36	28.34	134	49	46	8.54
2035	68	25	22	48.94	107	39	32	28.83	118	43	40	8.74
2036	65	24	21	49.86	102	37	31	29.40	109	40	37	8.89
2037	64	23	21	50.87	98	36	30	29.97	103	38	35	9.07
2038	62	23	20	51.80	95	35	29	30.54	100	36	34	9.28
2039	57	21	19	52.78	87	32	27	31.22	92	34	31	9.47
2040	54	20	18	53.95	82	30	25	31.89	88	32	30	9.69
2041	46	17	15	55.40	70	25	21	32.68	75	27	26	9.89
2042	41	15	13	56.58	62	23	19	33.38	68	25	23	10.05
2043	33	12	11	58.01	49	18	15	34.10	51	19	18	10.46
2044	32	12	11	59.73	46	17	14	35.17	50	18	17	10.74
2045	30	11	10	60.66	44	16	14	35.91	48	18	17	10.96
2046	28	10	9	61.95	40	15	13	36.58	44	16	15	11.14
2047	27	10	9	62.85	39	14	12	37.32	42	15	15	11.34
2048	24	9	8	64.41	36	13	11	38.17	39	14	14	11.58
2049	21	8	7	65.66	32	12	10	38.98	35	13	12	11.79
2050	17	6	6	66.56	26	9	8	39.47	29	11	10	12.04
2051	13	5	4	67.07	21	8	6	39.82	23	9	8	12.27
2052	9	3	3	68.14	14	5	4	40.03	16	6	6	12.44
2053	6	2	2	67.96	11	4	3	39.94	11	4	4	12.72
2054	6	2	2	68.99	9	3	3	40.49	9	3	3	12.94
2055	4	2	1	68.70	8	3	2	40.36	7	3	2	13.14
2056	4	1	1	70.07	6	2	2	41.42	6	2	2	13.35
2057	3	1	1	71.05	5	2	2	42.04	5	2	2	13.63
2058	3	1	1	72.17	5	2	2	42.68	5	2	2	13.87
2059	2	1	1	75.41	3	1	1	44.38	3	1	1	14.32
2060	1	0	0	80.75	2	1	1	48.90	3	1	1	14.73
2061	1	0	0	82.65	2	1	1	49.99	3	1	1	15.06
2062	1	0	0	84.29	2	1	1	50.91	2	1	1	15.37
2063	1	0	0	84.20	1	0	0	51.42	2	1	1	15.61
2064	1	0	0	87.07	1	0	0	54.73	1	0	0	15.88
2065	0	0	0	93.89	1	0	0	57.37	1	0	0	16.65
2066	0	0	0	95.77	1	0	0	58.52	1	0	0	16.98
2067	0	0	0	97.70	1	0	0	59.69	1	0	0	17.32
2068	0	0	0	99.65	1	0	0	60.88	1	0	0	17.67
2069	0	0	0	101.65	1	0	0	62.10	1	0	0	18.02
Sub.		838	724	45.18		1,296	1,070	26.96		1,362	1,270	8.34
Rem.		1	1	122.94		1	1	81.64		2	2	20.07
Tot.		839	725	45.25		1,298	1,071	27.02		1,364	1,272	8.36

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	135	25	22	20.76	231	42	38	30.21	545	100	92	20.21
2021	408	149	136	24.05	609	222	204	32.50	1,494	545	507	21.54
2022	479	175	152	29.81	1,084	396	351	46.74	2,149	785	714	31.07
2023	747	272	241	33.67	1,887	689	612	52.60	3,590	1,310	1,191	35.20
2024	1,225	447	396	36.83	2,521	920	817	51.72	5,617	2,050	1,873	32.43
2025	891	325	270	36.29	2,169	792	685	54.24	4,383	1,600	1,429	35.38
2026	837	305	256	36.76	1,793	654	564	53.40	3,853	1,406	1,257	34.12
2027	716	261	224	36.59	1,435	524	452	53.06	3,159	1,153	1,033	33.71
2028	654	239	204	36.67	1,257	459	395	53.12	2,821	1,030	919	33.59
2029	603	220	186	37.14	1,109	405	347	53.33	2,546	929	826	33.52
2030	565	206	175	37.92	1,004	366	315	53.72	2,377	868	775	33.41
2031	533	194	166	38.63	923	337	291	54.22	2,209	806	723	33.66
2032	510	186	160	39.44	875	319	277	55.01	2,109	770	693	34.11
2033	478	174	151	40.01	795	290	253	55.35	1,927	704	635	34.42
2034	448	163	142	40.83	747	273	239	56.54	1,802	658	595	35.21
2035	399	146	127	41.86	674	246	217	58.11	1,608	587	533	36.30
2036	379	138	121	43.24	649	237	210	59.87	1,637	598	546	36.29
2037	367	134	118	44.64	620	226	202	61.08	1,617	590	542	36.59
2038	359	131	116	45.83	636	232	208	63.55	1,637	598	550	38.00
2039	328	120	106	46.71	583	213	189	64.89	1,509	551	506	38.67
2040	312	114	101	47.65	544	198	176	65.82	1,417	517	475	39.19
2041	266	97	86	48.66	472	172	152	67.59	1,206	440	404	40.43
2042	237	87	77	49.39	426	155	138	69.11	1,003	366	335	42.98
2043	190	69	62	52.19	339	124	110	71.10	790	288	264	44.55
2044	185	68	60	53.70	316	115	102	71.66	754	275	253	44.60
2045	174	64	57	54.39	282	103	92	71.38	693	253	233	44.26
2046	162	59	53	56.00	259	94	84	72.73	648	236	218	44.78
2047	155	57	51	56.90	242	88	79	73.24	615	225	207	44.96
2048	136	50	44	56.14	164	60	54	64.64	476	174	160	40.14
2049	121	44	40	56.97	146	53	48	65.58	424	155	143	40.79
2050	98	36	32	57.44	114	42	37	65.28	337	123	113	40.75
2051	78	28	25	57.85	88	32	28	64.42	265	97	89	40.52
2052	53	19	17	58.27	57	21	18	62.68	175	64	59	40.15
2053	38	14	12	59.61	41	15	13	65.69	123	45	41	42.02
2054	33	12	11	61.17	37	14	12	67.95	111	41	37	43.07
2055	26	9	8	62.63	30	11	9	71.10	88	32	29	44.65
2056	22	8	7	62.25	26	9	8	72.05	76	28	25	45.41
2057	19	7	6	63.97	23	8	7	74.76	65	24	22	47.04
2058	17	6	6	65.51	20	7	6	76.57	59	21	19	47.95
2059	11	4	4	67.57	14	5	4	82.65	39	14	13	51.66
2060	8	3	2	61.50	12	5	4	91.25	27	10	9	60.09
2061	7	3	2	63.05	14	5	4	100.50	28	10	9	67.25
2062	7	2	2	64.94	13	5	4	104.15	26	9	8	69.71
2063	5	2	2	66.12	11	4	3	110.95	21	8	7	75.80
2064	3	1	1	61.98	9	3	3	119.37	15	6	5	85.88
2065	2	1	1	64.27	8	3	2	132.04	10	4	3	108.13
2066	2	1	1	65.55	7	3	2	134.67	10	4	3	110.27
2067	2	1	1	66.86	7	3	2	137.35	9	3	3	112.46
2068	2	1	1	68.20	7	3	2	140.08	9	3	3	114.68
2069	2	1	1	69.55	7	2	2	142.86	9	3	3	116.95
Sub.		4,878	4,240	40.37		9,206	8,069	56.05		21,114	19,129	35.43
Rem.		4	4	79.23		19	16	165.55		25	21	140.21
Tot.		4,882	4,244	40.41		9,225	8,085	56.28		21,138	19,150	35.55

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty		Royalty	Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue			
	Oil	Gas	NGL+Sul	Total	Total	Total	Expense	Crown	Other	Crown	Other	Process.	Royalty	Fixed	Variable	Total
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	755	725	506	1,986	26	2,011	6	154	19	41	4	128	1,877	66	444	511
2021	3,615	4,427	3,538	11,579	168	11,747	68	909	59	212	10	746	10,934	458	2,549	3,007
2022	13,217	5,775	5,157	24,149	224	24,373	72	2,516	85	353	11	2,236	22,064	692	4,296	4,987
2023	26,894	9,784	9,104	45,783	349	46,132	74	4,559	398	534	27	4,395	41,663	1,410	7,061	8,471
2024	30,613	18,717	16,358	65,688	803	66,491	93	6,314	573	857	38	5,993	60,404	2,292	10,568	12,860
2025	29,809	13,446	11,648	54,903	1,704	56,607	118	6,621	432	870	41	6,142	50,347	3,177	7,974	11,151
2026	22,607	12,904	11,119	46,630	1,360	47,990	34	5,769	330	808	33	5,257	42,698	2,850	6,875	9,725
2027	17,528	10,950	9,480	37,958	907	38,865	35	4,655	305	637	34	4,289	34,541	3,506	5,914	9,420
2028	15,077	10,086	8,664	33,826	756	34,582	44	4,161	337	586	39	3,873	30,665	4,101	5,397	9,498
2029	12,964	9,441	8,098	30,503	641	31,143	44	3,852	323	586	38	3,550	27,550	4,166	4,989	9,155
2030	11,465	9,208	7,745	28,418	570	28,988	36	3,477	296	543	34	3,196	25,755	4,417	4,807	9,224
2031	10,392	8,786	7,433	26,612	534	27,146	40	3,167	268	496	33	2,907	24,199	4,478	4,585	9,063
2032	9,907	8,600	7,261	25,768	497	26,265	44	2,957	237	457	32	2,706	23,514	5,088	4,499	9,587
2033	8,810	8,039	6,891	23,740	476	24,216	47	2,675	198	391	29	2,453	21,717	4,802	4,178	8,980
2034	8,487	7,641	6,594	22,721	432	23,153	42	2,457	199	351	31	2,274	20,837	5,090	4,011	9,101
2035	7,972	6,917	6,025	20,915	385	21,300	30	2,210	151	316	24	2,020	19,249	4,727	3,671	8,398
2036	7,971	7,456	5,943	21,370	320	21,690	27	2,120	143	315	22	1,926	19,737	5,732	3,989	9,721
2037	7,625	7,719	5,939	21,284	314	21,598	32	1,997	134	308	20	1,802	19,764	6,597	4,048	10,645
2038	8,487	7,889	5,962	22,337	370	22,707	38	2,008	127	301	19	1,815	20,854	8,540	4,139	12,680
2039	7,967	7,429	5,556	20,952	345	21,298	36	2,004	117	276	16	1,828	19,433	8,528	3,866	12,394
2040	7,412	7,146	5,379	19,937	325	20,263	33	1,974	121	261	17	1,817	18,413	8,421	3,697	12,118
2041	6,713	6,104	4,687	17,504	297	17,801	28	1,751	116	222	17	1,629	16,143	7,515	3,213	10,728
2042	6,270	4,951	4,241	15,461	277	15,738	27	1,558	111	181	15	1,472	14,240	6,954	2,594	9,549
2043	4,990	3,990	3,594	12,573	268	12,841	27	1,290	65	136	9	1,210	11,605	5,542	2,008	7,550
2044	4,452	3,972	3,596	12,021	251	12,272	22	1,206	51	127	7	1,123	11,127	5,752	1,907	7,659
2045	3,734	3,798	3,425	10,957	234	11,191	19	1,090	33	118	6	999	10,172	5,624	1,702	7,327
2046	3,405	3,693	3,282	10,380	210	10,589	14	1,027	26	113	6	935	9,640	5,714	1,624	7,339
2047	3,092	3,613	3,199	9,905	193	10,098	9	982	38	111	8	900	9,189	5,852	1,548	7,399
2048	1,058	3,094	2,777	6,929	41	6,970	9	621	37	105	8	546	6,415	3,827	1,347	5,174
2049	948	2,818	2,518	6,284	26	6,311	2	574	26	98	5	497	5,812	3,661	1,228	4,889
2050	644	2,294	2,051	4,989	27	5,016	2	477	25	83	5	415	4,600	2,937	987	3,924
2051	407	1,854	1,644	3,905	19	3,924	1	381	25	72	5	329	3,593	2,311	801	3,112
2052	165	1,255	1,125	2,546	18	2,564	2	255	16	52	4	214	2,348	1,414	570	1,984
2053	167	884	814	1,865	18	1,882	2	192	19	40	4	166	1,714	986	437	1,422
2054	168	820	741	1,729	17	1,746	2	180	16	37	4	156	1,589	931	401	1,332
2055	170	662	591	1,422	16	1,438	2	155	15	32	3	134	1,303	744	334	1,078
2056	172	573	503	1,248	9	1,257	1	140	14	29	3	123	1,133	658	288	946
2057	173	496	448	1,116	3	1,119	1	128	14	24	3	115	1,003	606	250	856
2058	159	459	410	1,028	3	1,030	1	120	14	22	3	108	921	572	229	801
2059	152	301	274	726	3	729	1	91	14	14	3	88	640	387	159	546
2060	241	181	174	596	3	599	1	91	19	9	3	98	500	270	113	383
2061	334	175	169	678	3	681	1	107	19	8	3	114	566	277	121	398
2062	330	166	158	653	3	656	1	103	19	8	3	111	545	264	116	380
2063	326	125	124	574	3	577	0	99	12	6	2	103	474	205	92	296
2064	323	77	75	475	3	478	0	91	7	5	0	93	385	134	66	200
2065	318	34	46	397	0	397	0	82	7	3	0	86	311	80	55	135
2066	314	34	45	393	0	393	0	81	7	3	0	85	308	82	54	136
2067	310	33	45	388	0	388	0	80	7	3	0	84	304	83	54	137
2068	307	33	45	385	0	385	0	80	6	3	0	84	301	85	53	138
2069	303	32	44	379	0	379	0	79	6	3	0	82	297	87	53	139
Sub.	309,714	229,608	195,244	734,566	13,449	748,015	1,169	79,666	5,635	11,164	684	73,453	673,392	152,690	123,961	276,652
Rem.	2,871	222	344	3,437	0	3,437	0	676	6	13	0	669	2,767	639	460	1,099
Tot.	312,585	229,830	195,587	738,003	13,449	751,452	1,169	80,342	5,642	11,177	685	74,123	676,160	153,329	124,421	277,750
Disc	137,799	85,874	73,676	297,349	5,495	302,845	517	32,454	2,348	4,576	248	29,977	272,350	33,798	48,926	82,723

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	1,367	42	0	1,409	3,280	147	357	3,784	-2,376	-2,376	-2,320
2021	1	0	-1	7,927	266	0	8,193	2,846	260	173	3,279	4,914	2,538	2,147
2022	3	0	-2	17,077	943	0	18,020	7,555	1,123	1,533	10,211	7,809	10,347	8,601
2023	3	0	-3	33,191	669	0	33,860	36,550	3,575	8,736	48,861	-15,001	-4,654	-2,669
2024	6	0	-3	47,542	747	0	48,289	19,885	1,014	2,270	23,169	25,120	20,466	14,488
2025	6	0	-3	39,193	684	-252	40,129	5,612	279	293	6,184	33,946	54,412	35,565
2026	4	0	-3	32,972	537	-131	33,640	4,332	309	413	5,054	28,586	82,998	51,701
2027	4	0	-3	25,120	533	-404	26,057	0	0	0	0	26,057	109,055	65,073
2028	4	0	-4	21,166	522	-293	21,981	0	0	0	0	21,981	131,036	75,327
2029	4	0	-4	18,394	500	-665	19,560	0	0	0	0	19,560	150,596	83,623
2030	4	0	-4	16,531	481	-582	16,430	0	0	0	0	16,430	167,026	89,957
2031	4	0	-5	15,137	474	-603	16,213	0	0	0	0	16,213	183,239	95,640
2032	4	0	-5	13,927	451	-1,202	15,581	0	0	0	0	15,581	198,820	100,604
2033	5	0	-5	12,736	374	-474	13,584	0	0	0	0	13,584	212,404	104,539
2034	5	0	-5	11,735	331	-322	12,389	0	0	0	0	12,389	224,793	107,801
2035	5	0	-5	10,851	287	-242	11,379	0	0	0	0	11,379	236,172	110,525
2036	5	0	-5	10,016	283	-1,282	11,581	0	0	0	0	11,581	247,753	113,046
2037	4	0	-6	9,121	263	890	8,494	0	0	0	0	8,494	256,247	114,726
2038	4	0	-6	8,177	269	39	8,407	0	0	0	0	8,407	264,654	116,238
2039	4	0	-6	7,041	255	508	6,787	0	0	0	0	6,787	271,441	117,348
2040	4	0	-6	6,297	221	-2,056	8,575	0	0	0	0	8,575	280,016	118,623
2041	4	0	-5	5,417	202	-2,941	8,561	0	0	0	0	8,561	288,577	119,780
2042	3	0	-5	4,692	174	-3,339	8,205	0	0	0	0	8,205	296,781	120,787
2043	3	0	-5	4,056	91	-1,201	5,348	0	0	0	0	5,348	302,129	121,385
2044	3	0	-5	3,469	51	-486	4,006	0	0	0	0	4,006	306,136	121,791
2045	3	0	-2	2,845	24	4,286	-1,416	0	0	0	0	-1,416	304,719	121,661
2046	3	0	-2	2,301	19	1,025	1,295	0	0	0	0	1,295	306,014	121,769
2047	3	0	-3	1,789	84	2,470	-596	0	0	0	0	-596	305,418	121,724
2048	3	0	-3	1,241	78	-376	1,696	0	0	0	0	1,696	307,114	121,842
2049	3	0	-3	923	73	2,169	-1,173	0	0	0	0	-1,173	305,942	121,768
2050	1	0	-3	678	70	167	581	0	0	0	0	581	306,522	121,801
2051	1	0	-3	483	64	-988	1,536	0	0	0	0	1,536	308,059	121,881
2052	1	0	-5	368	59	3,096	-2,669	0	0	0	0	-2,669	305,389	121,755
2053	1	0	-5	296	55	649	-298	0	0	0	0	-298	305,091	121,742
2054	1	0	-5	261	52	231	82	0	0	0	0	82	305,174	121,745
2055	1	0	-5	228	10	1,470	-1,231	0	0	0	0	-1,231	303,943	121,701
2056	1	0	-4	190	9	2,581	-2,381	0	0	0	0	-2,381	301,561	121,624
2057	1	0	-3	150	8	903	-745	0	0	0	0	-745	300,816	121,602
2058	1	0	-3	123	7	-307	438	0	0	0	0	438	301,254	121,614
2059	1	0	-3	96	7	2,033	-1,930	0	0	0	0	-1,930	299,324	121,567
2060	1	0	-3	119	6	-2,231	2,356	0	0	0	0	2,356	301,680	121,619
2061	1	0	-3	171	5	99	77	0	0	0	0	77	301,757	121,621
2062	1	0	-1	165	5	163	7	0	0	0	0	7	301,765	121,621
2063	1	0	0	177	4	691	-509	0	0	0	0	-509	301,255	121,612
2064	1	0	0	184	4	588	-400	0	0	0	0	-400	300,856	121,606
2065	1	0	0	176	0	-1,320	1,496	0	0	0	0	1,496	302,352	121,627
2066	1	0	0	171	0	48	124	0	0	0	0	124	302,475	121,628
2067	1	0	0	166	0	85	81	0	0	0	0	81	302,556	121,629
2068	1	0	0	162	0	379	-217	0	0	0	0	-217	302,339	121,627
2069	1	0	0	157	0	5,796	-5,639	0	0	0	0	-5,639	296,700	121,574
Sub.	127	0	-162	396,776	10,298	9,832	397,242	80,060	6,707	13,775	100,542	296,700	296,700	121,574
Rem.	1	0	0	1,668	0	2,770	-1,102	0	0	0	0	-1,102	295,599	121,574
Tot.	127	0	-162	398,444	10,298	12,601	396,141	80,060	6,707	13,775	100,542	295,599	295,599	121,574
Disc	37	0	-34	189,624	4,629	-1,663	195,917	59,006	5,034	10,302	74,342	121,574	121,574	121,574

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	2,415	10	2,425	2,099	1,000	2,425	11	60.5	78.2	7.3
Tight Oil	Mbbl	1,800	116	1,916	1,741	1,000	1,916	9	27.5	467.9	7.9
Total: Total Oil	Mbbl	4,215	126	4,341	3,840	1,000	4,341	21	60.5	123.6	7.6
Solution Gas	MMcf	9,350	43	9,393	8,528	6,000	1,566	7	60.5	147.2	8.8
Residue Gas	MMcf	54,864	558	55,421	51,559	6,000	9,237	44	60.5	92.3	11.0
Shale Gas	MMcf	6,470	194	6,664	6,301	6,000	1,111	5	27.5	282.9	7.5
Total: Gas	MMcf	70,684	795	71,479	66,388	6,000	11,913	56	60.5	104.0	10.3
Gas Heat Content	BBtu	76,412	837	77,249	71,735	0.000	0	0	60.5	103.9	10.3
Condensate	Mbbl	619	11	631	544	1,000	631	3	60.5	127.9	9.0
Field Condensate (NGL)	Mbbl	749	2	751	631	1,000	751	4	60.5	112.2	10.4
Butane	Mbbl	831	8	839	725	1,000	839	4	60.5	108.7	10.1
Propane	Mbbl	1,290	7	1,298	1,071	1,000	1,298	6	60.5	93.8	10.1
Ethane	Mbbl	1,352	11	1,364	1,272	1,000	1,364	6	60.5	84.8	10.5
Total: NGL	Mbbl	4,842	41	4,882	4,244	1,000	4,882	23	60.5	99.1	10.1
Total: Oil+NGL	Mbbl	9,058	167	9,225	8,085	1,000	9,225	44	60.5	109.3	8.8
Total: Oil Eq.	Mboe	20,839	299	21,138	19,150	1,000	21,138	100	60.5	106.2	9.6

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values					Net Revenue After Royalties					
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	48.61	-4.93	43.68	3.35	5.50	0.01	34.83	157,492	23	70,536	26
Tight Oil	\$/bbl	48.61	-6.97	41.64	1.91	5.72	0.00	34.01	126,417	19	54,779	20
Total: Total Oil	\$/bbl	48.61	-5.16	43.45	3.18	5.52	0.00	34.74	283,910	42	125,314	46
Solution Gas	\$/Mcf	2.12	-0.13	1.99	0.09	1.38	0.00	0.52	25,142	4	10,694	4
Residue Gas	\$/Mcf	2.12	0.03	2.16	0.07	1.12	0.00	0.97	177,900	26	64,005	24
Shale Gas	\$/Mcf	2.12	0.00	2.12	0.09	0.72	0.00	1.32	19,154	3	8,448	3
Total: Gas	\$/Mcf	2.12	0.02	2.14	0.07	1.13	0.00	0.94	222,196	33	83,147	31
Condensate	\$/bbl	51.39	-5.91	45.48	4.58	0.00	0.00	40.90	42,511	6	17,071	6
Field Condensate (NGL)	\$/bbl	51.40	-1.37	50.03	5.24	7.37	0.00	37.42	54,511	8	19,729	7
Butane	\$/bbl	25.00	-8.44	16.56	2.36	0.00	0.00	14.19	33,228	5	12,123	4
Propane	\$/bbl	23.85	-6.30	17.55	2.19	0.00	0.00	15.36	28,684	4	10,770	4
Ethane	\$/bbl	6.54	-0.76	5.78	0.07	0.00	0.00	5.71	11,040	2	4,131	2
Total: NGL	\$/bbl	24.88	-4.12	20.76	2.18	1.00	0.00	17.58	169,974	25	63,823	23
Total: Oil+NGL	\$/bbl	34.77	-4.56	30.21	2.59	2.89	0.00	24.72	453,994	67	189,207	69
Total: Oil Eq.	\$/boe	21.89	-1.69	20.21	1.35	4.88	0.00	13.98	676,192	100	272,356	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Net Present Value Before Income Tax							
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	7.7414	10.8865	0	398,444	396,141	100,542	295,599	13.98
Non-crown Royalty	0.9509	0.7644	5	262,641	270,213	86,009	184,205	8.71
Mineral Tax	0.0110	0.0172	8	214,240	221,227	78,714	142,514	6.74
			10	189,624	195,917	74,342	121,574	5.75
			12	169,356	174,961	70,319	104,643	4.95
			15	144,980	149,687	64,860	84,827	4.01
			20	115,310	118,910	57,066	61,844	2.93

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 13:02:24

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: Summary

Reserve Class: Proved Plus Probable
 Development Class: Producing
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl
2020	103	194	1,093	199	184	43.33	169	31	29	41.64	1,272	232	215	43.06
2021	67	137	851	311	283	49.44	114	42	40	47.77	965	352	323	49.25
2022	67	137	704	257	228	59.78	79	29	27	58.19	783	286	256	59.62
2023	66	136	607	222	196	64.83	60	22	20	63.29	667	244	216	64.69
2024	63	130	535	195	174	66.06	45	17	14	64.38	580	212	189	65.93
2025	62	125	473	173	155	67.33	38	14	11	65.67	511	186	166	67.20
2026	54	119	382	139	125	68.54	32	12	9	66.98	414	151	135	68.41
2027	53	119	344	126	112	69.90	28	10	8	68.33	373	136	120	69.78
2028	52	116	311	113	102	71.32	25	9	7	69.69	336	123	109	71.20
2029	46	114	261	95	86	73.02	23	8	7	71.08	284	104	92	72.87
2030	42	106	238	87	78	74.45	0	0	0	0.00	238	87	78	74.45
2031	40	102	215	78	71	75.89	0	0	0	0.00	215	78	71	75.89
2032	38	96	190	69	63	77.32	0	0	0	0.00	190	69	63	77.32
2033	28	93	160	58	53	79.41	0	0	0	0.00	160	58	53	79.41
2034	28	86	147	54	49	81.00	0	0	0	0.00	147	54	49	81.00
2035	24	77	128	47	42	82.70	0	0	0	0.00	128	47	42	82.70
2036	24	73	119	43	40	84.37	0	0	0	0.00	119	43	40	84.37
2037	23	69	110	40	36	86.08	0	0	0	0.00	110	40	36	86.08
2038	22	66	99	36	33	87.78	0	0	0	0.00	99	36	33	87.78
2039	19	59	85	31	28	89.58	0	0	0	0.00	85	31	28	89.58
2040	17	56	78	28	26	91.59	0	0	0	0.00	78	28	26	91.59
2041	16	41	72	26	23	93.44	0	0	0	0.00	72	26	23	93.44
2042	14	32	64	23	21	95.33	0	0	0	0.00	64	23	21	95.33
2043	9	28	40	15	13	97.37	0	0	0	0.00	40	15	13	97.37
2044	7	25	35	13	11	99.28	0	0	0	0.00	35	13	11	99.28
2045	5	23	25	9	8	101.11	0	0	0	0.00	25	9	8	101.11
2046	4	21	23	8	7	102.95	0	0	0	0.00	23	8	7	102.95
2047	3	19	18	7	6	104.43	0	0	0	0.00	18	7	6	104.43
2048	3	16	18	6	6	106.57	0	0	0	0.00	18	6	6	106.57
2049	3	13	17	6	5	108.75	0	0	0	0.00	17	6	5	108.75
2050	1	11	11	4	3	115.40	0	0	0	0.00	11	4	3	115.40
2051	1	10	11	4	3	117.69	0	0	0	0.00	11	4	3	117.69
2052	1	8	10	3	3	120.46	0	0	0	0.00	10	3	3	120.46
2053	1	7	9	3	3	122.87	0	0	0	0.00	9	3	3	122.87
2054	1	6	9	3	3	125.32	0	0	0	0.00	9	3	3	125.32
2055	1	4	9	3	3	127.83	0	0	0	0.00	9	3	3	127.83
2056	1	3	8	3	2	130.38	0	0	0	0.00	8	3	2	130.38
2057	1	3	8	3	2	132.97	0	0	0	0.00	8	3	2	132.97
2058	1	2	7	3	2	135.68	0	0	0	0.00	7	3	2	135.68
2059	1	2	7	2	2	138.36	0	0	0	0.00	7	2	2	138.36
2060	1	2	7	2	2	141.13	0	0	0	0.00	7	2	2	141.13
2061	1	2	6	2	2	143.96	0	0	0	0.00	6	2	2	143.96
2062	1	2	6	2	2	146.84	0	0	0	0.00	6	2	2	146.84
2063	1	1	6	2	2	149.77	0	0	0	0.00	6	2	2	149.77
2064	1	1	6	2	2	152.77	0	0	0	0.00	6	2	2	152.77
2065	0	0	6	2	2	155.83	0	0	0	0.00	6	2	2	155.83
2066	0	0	5	2	1	158.94	0	0	0	0.00	5	2	1	158.94
2067	0	0	5	2	1	162.13	0	0	0	0.00	5	2	1	162.13
2068	0	0	5	2	1	165.37	0	0	0	0.00	5	2	1	165.37
2069	0	0	5	2	1	168.68	0	0	0	0.00	5	2	1	168.68
Sub.				2,569	2,306	68.65		193	173	57.12		2,765	2,481	67.82
Rem.				15	12	190.39		0	0	0.00		15	12	190.39
Tot.				2,584	2,317	69.36		193	173	57.12		2,780	2,493	68.48

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	4,650	849	760	2.02	25,519	4,657	4,283	2.23	1,140	208	197	2.14
2021	3,665	1,338	1,198	2.21	20,561	7,505	6,893	2.39	797	291	275	2.28
2022	3,045	1,111	994	2.47	18,478	6,744	6,195	2.64	568	207	196	2.52
2023	2,595	947	847	2.53	16,669	6,084	5,593	2.69	441	161	152	2.57
2024	2,239	817	732	2.58	14,952	5,458	5,021	2.74	300	110	104	2.71
2025	1,878	686	616	2.64	13,467	4,916	4,524	2.80	252	92	86	2.77
2026	1,607	587	527	2.69	12,024	4,389	4,045	2.86	218	79	74	2.82
2027	1,423	519	474	2.75	11,118	4,058	3,813	2.91	191	70	65	2.88
2028	1,284	469	429	2.80	10,204	3,724	3,500	2.97	171	63	58	2.94
2029	1,070	391	356	2.85	9,357	3,415	3,211	3.03	154	56	52	3.00
2030	966	353	322	2.90	8,407	3,069	2,885	3.09	6	2	2	2.98
2031	876	320	291	2.96	7,704	2,812	2,647	3.15	6	2	2	3.04
2032	707	258	238	3.03	6,962	2,541	2,394	3.22	6	2	2	3.10
2033	551	201	186	3.05	6,314	2,305	2,171	3.28	2	1	1	3.16
2034	506	185	171	3.11	5,684	2,075	1,954	3.35	2	1	1	3.22
2035	417	152	143	3.17	4,965	1,812	1,708	3.42	2	1	1	3.29
2036	386	141	132	3.23	4,466	1,630	1,536	3.49	2	1	1	3.35
2037	353	129	121	3.29	4,049	1,478	1,392	3.57	2	1	1	3.42
2038	306	112	105	3.37	3,681	1,344	1,266	3.64	2	1	1	3.49
2039	273	100	93	3.43	3,252	1,187	1,119	3.71	1	1	1	3.56
2040	254	93	87	3.49	2,960	1,081	1,018	3.78	1	0	0	3.63
2041	234	85	80	3.56	2,435	889	837	3.80	1	0	0	3.70
2042	204	75	70	3.63	1,550	566	530	3.95	1	0	0	3.78
2043	121	44	41	3.95	1,266	462	432	4.04	1	0	0	3.85
2044	100	37	34	4.03	1,092	399	372	4.11	1	0	0	3.93
2045	77	28	26	4.29	969	354	330	4.18	0	0	0	0.00
2046	69	25	24	4.38	838	306	285	4.26	0	0	0	0.00
2047	57	21	19	4.49	752	274	255	4.34	0	0	0	0.00
2048	54	20	19	4.58	637	233	216	4.41	0	0	0	0.00
2049	51	19	18	4.67	506	185	172	4.48	0	0	0	0.00
2050	25	9	8	4.66	422	154	143	4.51	0	0	0	0.00
2051	24	9	8	4.75	392	143	133	4.61	0	0	0	0.00
2052	17	6	6	4.81	277	101	95	4.71	0	0	0	0.00
2053	17	6	6	4.91	218	80	74	4.90	0	0	0	0.00
2054	16	6	5	5.01	195	71	67	5.01	0	0	0	0.00
2055	16	6	5	5.11	127	46	43	5.05	0	0	0	0.00
2056	15	5	5	5.20	113	41	38	5.17	0	0	0	0.00
2057	14	5	5	5.30	83	30	28	5.21	0	0	0	0.00
2058	12	4	4	5.37	75	27	25	5.32	0	0	0	0.00
2059	11	4	4	5.47	70	25	23	5.43	0	0	0	0.00
2060	11	4	4	5.58	64	23	21	5.56	0	0	0	0.00
2061	11	4	3	5.70	56	21	19	5.70	0	0	0	0.00
2062	10	4	3	5.81	51	19	17	5.85	0	0	0	0.00
2063	10	4	3	5.93	33	12	11	5.79	0	0	0	0.00
2064	10	4	3	6.04	27	10	9	5.90	0	0	0	0.00
2065	9	3	3	6.16	6	2	2	6.09	0	0	0	0.00
2066	9	3	3	6.29	6	2	2	6.21	0	0	0	0.00
2067	9	3	3	6.41	6	2	2	6.33	0	0	0	0.00
2068	9	3	3	6.54	5	2	2	6.46	0	0	0	0.00
2069	8	3	3	6.67	5	2	2	6.59	0	0	0	0.00
Sub.		10,204	9,239	2.69		76,764	71,354	2.96		1,350	1,271	2.53
Rem.		20	20	7.30		10	9	7.19		0	0	0.00
Tot.		10,225	9,260	2.70		76,774	71,364	2.96		1,350	1,271	2.53

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	31,357	5,723	5,248	2.20	273	50	40	48.54	235	43	31	45.57
2021	25,023	9,133	8,366	2.36	222	81	62	55.07	182	66	46	51.77
2022	22,091	8,063	7,385	2.61	198	72	53	64.15	156	57	39	60.93
2023	19,706	7,193	6,592	2.67	177	65	48	69.42	136	50	33	66.23
2024	17,492	6,384	5,857	2.72	159	58	43	70.88	118	43	29	67.68
2025	15,598	5,693	5,226	2.78	141	51	39	72.39	105	38	25	69.12
2026	13,850	5,055	4,646	2.84	127	46	35	73.96	91	33	22	70.68
2027	12,733	4,647	4,353	2.89	116	42	38	75.51	84	31	27	72.18
2028	11,659	4,256	3,986	2.95	105	38	35	77.13	77	28	25	73.70
2029	10,582	3,862	3,619	3.01	95	35	31	78.80	70	25	23	75.25
2030	9,380	3,424	3,209	3.07	86	31	28	80.47	59	21	19	77.25
2031	8,586	3,134	2,941	3.13	78	28	26	82.06	54	20	18	78.79
2032	7,674	2,801	2,634	3.20	69	25	23	83.82	49	18	16	80.29
2033	6,868	2,507	2,359	3.27	62	23	21	85.68	44	16	15	81.81
2034	6,193	2,260	2,127	3.33	56	20	19	87.42	39	14	13	83.54
2035	5,384	1,965	1,851	3.40	47	17	16	89.39	35	13	12	85.08
2036	4,854	1,772	1,669	3.47	41	15	14	91.23	32	12	11	86.74
2037	4,404	1,608	1,514	3.54	37	14	12	93.14	29	11	10	88.37
2038	3,989	1,456	1,371	3.62	33	12	11	95.08	27	10	9	90.14
2039	3,526	1,287	1,213	3.69	28	10	9	97.06	24	9	8	91.89
2040	3,216	1,174	1,106	3.75	25	9	8	98.97	22	8	7	93.65
2041	2,670	974	917	3.78	23	8	7	100.96	16	6	5	96.08
2042	1,756	641	601	3.92	18	7	6	102.82	13	5	4	97.58
2043	1,388	507	474	4.03	15	6	5	105.01	10	4	3	99.19
2044	1,193	436	407	4.10	14	5	4	107.08	9	3	3	101.07
2045	1,046	382	357	4.19	12	4	4	109.34	7	3	2	102.99
2046	906	331	308	4.27	10	4	3	111.53	7	2	2	104.83
2047	809	295	275	4.35	8	3	3	113.74	6	2	2	106.83
2048	691	252	235	4.43	7	3	2	115.76	5	2	2	108.88
2049	557	203	189	4.49	5	2	2	117.55	5	2	1	110.87
2050	447	163	151	4.52	4	2	1	119.94	3	1	1	113.48
2051	416	152	141	4.62	4	2	1	122.37	3	1	1	115.63
2052	295	108	100	4.71	4	1	1	124.98	1	0	0	122.57
2053	235	86	80	4.90	3	1	1	127.78	1	0	0	124.36
2054	211	77	72	5.01	3	1	1	130.37	1	0	0	126.78
2055	143	52	48	5.06	2	1	0	132.20	1	0	0	128.67
2056	128	47	43	5.17	1	0	0	134.80	1	0	0	131.11
2057	97	35	33	5.22	1	0	0	137.60	0	0	0	133.79
2058	87	32	29	5.33	1	0	0	140.24	0	0	0	136.59
2059	81	30	27	5.44	1	0	0	143.02	0	0	0	139.27
2060	75	27	25	5.57	1	0	0	145.93	0	0	0	141.89
2061	67	24	22	5.70	1	0	0	148.87	0	0	0	144.51
2062	61	22	20	5.84	1	0	0	151.89	0	0	0	147.21
2063	43	16	14	5.82	1	0	0	154.80	0	0	0	150.57
2064	37	13	12	5.94	0	0	0	157.72	0	0	0	153.41
2065	15	6	5	6.13	0	0	0	161.71	0	0	0	150.14
2066	15	5	5	6.26	0	0	0	164.95	0	0	0	153.16
2067	14	5	5	6.38	0	0	0	168.25	0	0	0	156.22
2068	14	5	4	6.51	0	0	0	171.61	0	0	0	159.36
2069	13	5	4	6.64	0	0	0	175.04	0	0	0	162.55
Sub.		88,328	81,873	2.92		795	657	75.17		598	464	70.71
Rem.		31	29	7.26		1	0	194.23		0	0	184.58
Tot.		88,359	81,902	2.93		795	657	75.26		598	464	70.72

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	387	71	52	19.10	632	115	84	18.81	766	140	130	5.70
2021	307	112	82	25.34	503	184	133	19.23	626	229	213	6.12
2022	272	99	72	33.62	447	163	117	22.38	558	204	190	6.78
2023	242	88	64	39.06	400	146	105	23.54	500	183	170	6.93
2024	215	79	57	40.19	356	130	93	24.02	445	163	152	7.07
2025	191	70	51	40.96	315	115	83	24.51	393	143	134	7.22
2026	169	62	45	41.97	279	102	73	25.10	349	127	119	7.37
2027	155	57	52	42.78	256	93	83	25.61	320	117	110	7.52
2028	142	52	47	43.59	233	85	75	26.11	290	106	99	7.67
2029	127	47	43	44.43	209	76	68	26.62	261	95	89	7.83
2030	114	41	38	45.42	186	68	60	27.18	230	84	79	7.99
2031	104	38	35	46.33	170	62	55	27.74	210	77	72	8.16
2032	92	33	31	47.27	149	54	48	28.29	183	67	63	8.37
2033	81	30	27	48.26	131	48	43	28.80	162	59	56	8.53
2034	73	27	25	49.31	117	43	38	29.41	145	53	50	8.71
2035	62	23	21	50.24	100	37	33	29.93	122	45	42	8.92
2036	55	20	19	51.00	89	33	29	30.50	108	39	37	9.10
2037	49	18	17	52.06	80	29	26	31.11	94	34	32	9.28
2038	44	16	15	52.97	71	26	23	31.71	82	30	28	9.49
2039	38	14	13	53.95	61	22	20	32.37	71	26	24	9.69
2040	35	13	12	54.88	56	20	18	32.99	65	24	22	9.89
2041	29	11	10	56.18	48	18	15	33.84	57	21	20	10.08
2042	25	9	8	57.31	40	15	13	34.67	49	18	17	10.31
2043	20	7	7	58.69	33	12	10	35.52	40	14	14	10.62
2044	18	6	6	59.96	29	11	9	36.44	35	13	12	10.86
2045	15	6	5	60.86	25	9	8	37.17	31	11	11	11.06
2046	13	5	4	61.72	22	8	7	37.69	27	10	9	11.21
2047	12	4	4	62.96	19	7	6	38.47	24	9	8	11.42
2048	10	4	3	64.11	17	6	5	39.38	21	8	7	11.66
2049	9	3	3	65.20	14	5	4	40.33	17	6	6	11.90
2050	7	2	2	66.47	12	4	4	41.09	16	6	5	12.16
2051	6	2	2	67.81	11	4	3	41.91	14	5	5	12.41
2052	4	2	1	71.58	8	3	2	43.44	11	4	4	12.56
2053	4	1	1	74.21	6	2	2	44.72	9	3	3	12.92
2054	3	1	1	75.50	5	2	2	45.49	8	3	3	13.15
2055	2	1	1	75.69	4	1	1	45.94	5	2	2	13.39
2056	2	1	1	76.97	3	1	1	46.69	5	2	2	13.64
2057	2	1	1	78.46	3	1	1	48.00	4	1	1	13.95
2058	1	1	0	79.87	2	1	1	48.97	3	1	1	14.21
2059	1	0	0	81.30	2	1	1	49.87	3	1	1	14.48
2060	1	0	0	83.06	2	1	1	50.91	3	1	1	14.79
2061	1	0	0	84.67	2	1	1	51.89	3	1	1	15.09
2062	1	0	0	86.43	2	1	0	52.94	2	1	1	15.40
2063	1	0	0	86.57	1	0	0	54.10	2	1	1	15.65
2064	1	0	0	87.07	1	0	0	54.73	1	0	0	15.88
2065	0	0	0	93.89	1	0	0	57.37	1	0	0	16.65
2066	0	0	0	95.77	1	0	0	58.52	1	0	0	16.98
2067	0	0	0	97.70	1	0	0	59.69	1	0	0	17.32
2068	0	0	0	99.65	1	0	0	60.88	1	0	0	17.67
2069	0	0	0	101.65	1	0	0	62.10	1	0	0	18.02
Sub.		1,078	879	40.90		1,766	1,403	25.63		2,187	2,048	7.64
Rem.		1	1	122.94		1	1	81.64		2	2	20.07
Tot.		1,078	880	40.95		1,767	1,404	25.67		2,188	2,050	7.65

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	2,293	418	337	20.76	3,565	651	552	28.72	8,791	1,604	1,427	19.48
2021	1,841	672	537	23.33	2,806	1,024	860	32.24	6,977	2,546	2,254	21.43
2022	1,630	595	471	27.66	2,413	881	727	38.03	6,095	2,225	1,958	24.52
2023	1,456	532	420	29.99	2,124	775	636	40.89	5,408	1,974	1,735	25.78
2024	1,294	472	374	30.61	1,874	684	562	41.54	4,789	1,748	1,538	26.18
2025	1,146	418	331	31.32	1,657	605	497	42.38	4,256	1,554	1,368	26.67
2026	1,015	370	294	32.01	1,429	522	428	42.56	3,738	1,364	1,203	26.79
2027	932	340	309	32.66	1,304	476	429	43.26	3,426	1,251	1,155	27.22
2028	846	309	281	33.38	1,182	432	390	44.13	3,126	1,141	1,055	27.70
2029	762	278	254	34.13	1,046	382	346	44.65	2,809	1,025	949	27.95
2030	674	246	225	34.83	912	333	303	45.15	2,475	903	837	28.27
2031	615	225	205	35.52	830	303	276	45.98	2,261	825	766	28.77
2032	541	198	181	36.56	731	267	244	47.14	2,010	734	683	29.36
2033	479	175	161	37.42	639	233	214	47.91	1,784	651	607	29.74
2034	430	157	144	38.23	577	211	193	49.15	1,610	587	548	30.44
2035	366	134	123	39.22	494	180	165	50.47	1,391	508	474	31.07
2036	325	119	109	40.12	444	162	149	52.00	1,253	457	427	31.86
2037	290	106	97	41.34	399	146	134	53.63	1,133	414	386	32.67
2038	256	94	86	42.38	356	130	119	55.06	1,020	372	347	33.33
2039	222	81	74	43.37	307	112	103	56.19	895	327	305	33.82
2040	202	74	68	44.18	280	102	93	57.36	816	298	277	34.49
2041	173	63	57	44.28	244	89	81	58.70	689	252	234	35.44
2042	144	53	48	44.26	209	76	69	59.95	501	183	169	38.67
2043	118	43	39	45.51	158	58	52	58.66	389	142	131	38.17
2044	104	38	34	46.26	139	51	46	59.67	338	123	113	39.02
2045	91	33	30	47.02	116	42	38	58.65	291	106	98	38.54
2046	79	29	26	47.72	102	37	33	60.03	253	92	85	39.43
2047	69	25	23	48.77	88	32	29	60.41	223	81	74	39.65
2048	61	22	20	49.07	78	29	25	62.02	194	71	65	40.91
2049	50	18	16	49.04	67	24	22	64.08	160	58	53	42.52
2050	41	15	13	47.99	53	19	17	62.62	127	46	42	41.82
2051	38	14	12	49.22	49	18	16	64.46	118	43	39	42.93
2052	29	10	9	48.99	38	14	12	66.90	87	32	29	45.17
2053	23	8	7	51.96	32	12	10	72.43	71	26	23	48.69
2054	20	7	6	53.31	28	10	9	75.74	64	23	21	50.48
2055	14	5	4	51.73	22	8	7	80.83	46	17	15	54.84
2056	12	4	4	52.94	20	7	6	84.33	42	15	13	56.94
2057	10	4	3	53.79	18	6	5	88.59	34	12	11	61.23
2058	9	3	3	54.75	16	6	5	91.51	30	11	10	63.14
2059	8	3	3	55.90	15	5	4	93.87	28	10	9	64.62
2060	7	3	2	57.42	14	5	4	97.03	26	10	8	66.89
2061	6	2	2	59.07	13	5	4	101.44	24	9	7	70.02
2062	6	2	2	60.76	12	4	3	105.26	22	8	7	72.79
2063	4	2	1	60.63	10	4	3	112.62	17	6	5	80.53
2064	3	1	1	61.98	9	3	3	119.37	15	6	5	85.88
2065	2	1	1	64.27	8	3	2	132.04	10	4	3	108.13
2066	2	1	1	65.55	7	3	2	134.67	10	4	3	110.27
2067	2	1	1	66.86	7	3	2	137.35	9	3	3	112.46
2068	2	1	1	68.20	7	3	2	140.08	9	3	3	114.68
2069	2	1	1	69.55	7	2	2	142.86	9	3	3	116.95
Sub.		6,423	5,452	32.40		9,188	7,933	43.05		23,909	21,578	27.35
Rem.		4	4	79.23		19	16	165.55		25	21	140.21
Tot.		6,428	5,456	32.43		9,207	7,949	43.31		23,934	21,599	27.46

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Total	Total	Process.	Crown	Other	Crown	Other	After	After			
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	9,802	12,101	8,447	30,350	897	31,247	304	3,788	382	1,297	68	2,805	28,138	9,483	8,193	17,675
2021	17,018	20,819	15,273	53,109	1,457	54,566	428	7,010	668	2,091	106	5,482	48,656	12,982	13,204	26,186
2022	16,734	20,362	16,043	53,140	1,401	54,541	372	7,691	677	1,830	95	6,444	47,726	12,570	11,655	24,226
2023	15,497	18,589	15,547	49,633	1,256	50,889	332	7,475	632	1,634	87	6,386	44,171	12,706	10,547	23,253
2024	13,739	16,829	14,105	44,673	1,097	45,770	282	6,641	567	1,422	76	5,709	39,779	12,388	9,533	21,921
2025	12,336	15,355	12,792	40,482	955	41,437	255	6,037	494	1,294	69	5,168	36,014	12,179	8,675	20,853
2026	10,178	14,007	11,619	35,803	746	36,549	153	5,328	429	1,172	58	4,528	31,868	11,227	7,580	18,807
2027	9,339	13,136	10,881	33,356	688	34,043	143	2,791	400	509	55	2,627	31,273	11,364	7,085	18,449
2028	8,605	12,275	10,105	30,986	620	31,606	134	2,507	376	460	52	2,371	29,101	11,285	6,586	17,870
2029	7,436	11,367	9,300	28,103	559	28,662	125	2,222	352	420	49	2,105	26,432	10,685	6,030	16,715
2030	6,364	10,287	8,409	25,060	483	25,543	108	1,877	331	381	46	1,780	23,655	9,589	5,488	15,077
2031	5,873	9,610	7,823	23,306	440	23,746	100	1,703	294	350	41	1,606	22,040	9,413	5,110	14,523
2032	5,284	8,780	7,080	21,144	396	21,540	92	1,521	229	316	35	1,398	20,050	8,809	4,678	13,487
2033	4,572	8,018	6,418	19,008	353	19,361	86	1,352	198	289	33	1,228	18,047	8,117	4,277	12,394
2034	4,314	7,381	5,890	17,585	300	17,885	75	1,237	187	263	31	1,129	16,680	7,855	3,966	11,821
2035	3,821	6,551	5,145	15,516	262	15,778	65	1,093	142	236	25	975	14,738	7,042	3,535	10,577
2036	3,634	6,050	4,694	14,378	192	14,570	58	1,013	128	217	22	903	13,610	6,796	3,265	10,061
2037	3,412	5,612	4,310	13,334	179	13,513	53	937	120	199	20	838	12,621	6,627	3,039	9,666
2038	3,149	5,188	3,910	12,246	167	12,413	50	863	114	184	20	773	11,590	6,342	2,798	9,140
2039	2,756	4,670	3,465	10,891	154	11,045	47	780	97	165	16	695	10,302	5,785	2,499	8,284
2040	2,578	4,337	3,219	10,134	143	10,277	43	761	94	156	15	683	9,552	5,354	2,324	7,679
2041	2,414	3,635	2,753	8,801	113	8,914	33	677	91	136	15	617	8,264	4,743	2,034	6,777
2042	2,203	2,469	2,305	6,977	97	7,074	28	560	87	99	14	534	6,512	3,908	1,415	5,322
2043	1,396	2,006	1,931	5,334	87	5,421	24	436	73	78	13	418	4,979	2,897	1,094	3,991
2044	1,249	1,751	1,727	4,728	83	4,811	23	397	71	68	12	387	4,400	2,624	952	3,576
2045	898	1,569	1,544	4,011	76	4,087	21	342	61	60	11	331	3,735	2,268	802	3,070
2046	827	1,390	1,361	3,578	57	3,635	16	313	58	55	11	304	3,315	2,062	710	2,772
2047	679	1,270	1,228	3,177	45	3,222	10	286	56	51	11	280	2,933	1,838	635	2,473
2048	666	1,104	1,079	2,849	43	2,892	10	263	54	46	11	260	2,621	1,687	562	2,249
2049	650	909	894	2,454	28	2,482	3	236	43	41	8	229	2,250	1,476	475	1,951
2050	463	733	719	1,915	27	1,942	3	207	41	35	8	206	1,734	1,107	378	1,486
2051	456	697	681	1,834	19	1,853	2	199	41	33	8	199	1,651	1,090	361	1,451
2052	408	503	509	1,420	18	1,439	2	160	26	24	5	157	1,280	798	288	1,086
2053	401	417	428	1,246	18	1,263	2	143	25	18	5	145	1,116	676	252	927
2054	395	383	379	1,157	17	1,174	2	135	22	16	4	137	1,035	612	229	841
2055	389	260	259	908	16	924	2	116	20	13	4	119	803	428	177	605
2056	384	239	231	854	9	863	1	112	20	12	4	116	746	388	163	552
2057	377	183	194	755	3	758	1	102	20	9	4	109	647	330	134	465
2058	357	166	172	695	3	698	1	96	19	8	4	104	593	291	122	412
2059	343	159	162	663	3	666	1	93	19	8	3	101	564	276	115	391
2060	340	151	153	643	3	646	1	104	19	8	3	112	533	258	111	369
2061	334	138	137	609	3	611	1	99	19	7	3	108	502	237	103	340
2062	330	129	127	586	3	588	1	96	19	6	3	106	482	223	98	322
2063	326	90	93	509	3	512	0	92	12	5	2	98	414	163	75	238
2064	323	77	75	475	3	478	0	91	7	5	0	93	385	134	66	200
2065	318	34	46	397	0	397	0	82	7	3	0	86	311	80	55	135
2066	314	34	45	393	0	393	0	81	7	3	0	85	308	82	54	136
2067	310	33	45	388	0	388	0	80	7	3	0	84	304	83	54	137
2068	307	33	45	385	0	385	0	80	6	3	0	84	301	85	53	138
2069	303	32	44	379	0	379	0	79	6	3	0	82	297	87	53	139
Sub.	184,601	251,917	203,839	640,357	13,518	653,875	3,492	70,384	7,863	15,738	1,185	61,324	589,059	229,528	141,688	371,216
Rem.	2,871	222	344	3,437	0	3,437	0	676	6	13	0	669	2,767	639	460	1,099
Tot.	187,471	252,139	204,183	643,793	13,518	657,311	3,492	71,060	7,870	15,751	1,186	61,993	591,826	230,167	142,148	372,314
Disc	99,093	130,362	103,662	333,118	7,879	340,997	2,099	40,902	4,098	9,822	604	34,575	304,323	103,299	75,126	178,425

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$		Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
						Dev. M\$	Plant M\$		Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$		
2020	9	0	-12	10,465	1,884	1,782	10,567	60	34	45	139	10,428	10,428	10,182	
2021	19	0	-25	22,476	2,646	1,800	23,322	0	0	0	0	23,322	33,750	31,384	
2022	28	0	-26	23,498	2,232	1,836	23,894	0	0	0	0	23,894	57,644	51,131	
2023	26	0	-25	20,917	1,873	1,873	20,917	0	0	0	0	20,917	78,561	66,846	
2024	24	0	-23	17,857	1,571	1,910	17,517	0	0	0	0	17,517	96,078	78,811	
2025	21	0	-21	15,160	1,335	13,772	2,724	0	0	0	0	2,724	98,802	80,502	
2026	18	0	-19	13,063	1,147	2,460	11,750	0	0	0	0	11,750	110,552	87,135	
2027	16	0	-23	12,830	1,063	2,778	11,115	0	0	0	0	11,115	121,667	92,838	
2028	16	0	-21	11,237	976	3,712	8,500	0	0	0	0	8,500	130,167	96,804	
2029	14	0	-20	9,724	881	4,519	6,086	0	0	0	0	6,086	136,253	99,385	
2030	13	0	-19	8,584	749	4,186	5,147	0	0	0	0	5,147	141,400	101,369	
2031	11	0	-18	7,524	679	2,767	5,436	0	0	0	0	5,436	146,837	103,275	
2032	11	0	-17	6,570	602	3,111	4,061	0	0	0	0	4,061	150,897	104,569	
2033	10	0	-16	5,659	524	3,737	2,446	0	0	0	0	2,446	153,343	105,277	
2034	9	0	-16	4,866	464	5,280	51	0	0	0	0	51	153,393	105,290	
2035	9	0	-15	4,168	409	1,816	2,761	0	0	0	0	2,761	156,155	105,952	
2036	8	0	-14	3,555	374	1,652	2,277	0	0	0	0	2,277	158,432	106,447	
2037	7	0	-13	2,961	337	2,678	621	0	0	0	0	621	159,053	106,570	
2038	7	0	-12	2,455	307	1,807	955	0	0	0	0	955	160,008	106,742	
2039	6	0	-12	2,024	251	5,624	-3,349	0	0	0	0	-3,349	156,659	106,194	
2040	6	0	-11	1,879	233	702	1,410	0	0	0	0	1,410	158,069	106,404	
2041	6	0	-10	1,492	214	824	882	0	0	0	0	882	158,951	106,523	
2042	5	0	-10	1,194	194	759	630	0	0	0	0	630	159,581	106,600	
2043	5	0	-9	992	140	1,859	-727	0	0	0	0	-727	158,854	106,519	
2044	5	0	-9	829	125	723	231	0	0	0	0	231	159,085	106,543	
2045	5	0	-7	667	106	3,583	-2,811	0	0	0	0	-2,811	156,274	106,283	
2046	4	0	-6	545	98	2,060	-1,418	0	0	0	0	-1,418	154,856	106,164	
2047	4	0	-6	462	90	1,854	-1,302	0	0	0	0	-1,302	153,554	106,065	
2048	4	0	-6	375	83	976	-518	0	0	0	0	-518	153,035	106,029	
2049	4	0	-6	301	76	2,833	-2,456	0	0	0	0	-2,456	150,580	105,874	
2050	2	0	-5	252	70	874	-552	0	0	0	0	-552	150,028	105,842	
2051	2	0	-5	204	64	856	-588	0	0	0	0	-588	149,440	105,812	
2052	2	0	-5	197	59	511	-255	0	0	0	0	-255	149,186	105,800	
2053	2	0	-5	192	55	670	-423	0	0	0	0	-423	148,763	105,782	
2054	2	0	-5	197	51	1,125	-877	0	0	0	0	-877	147,886	105,747	
2055	1	0	-5	201	10	97	114	0	0	0	0	114	148,000	105,751	
2056	1	0	-4	197	9	1,119	-913	0	0	0	0	-913	147,087	105,722	
2057	1	0	-3	185	7	345	-153	0	0	0	0	-153	146,934	105,717	
2058	1	0	-3	183	7	237	-48	0	0	0	0	-48	146,886	105,716	
2059	1	0	-3	175	7	2,013	-1,832	0	0	0	0	-1,832	145,054	105,671	
2060	1	0	-3	166	6	333	-161	0	0	0	0	-161	144,894	105,668	
2061	1	0	-3	164	5	99	71	0	0	0	0	71	144,965	105,669	
2062	1	0	-1	161	5	163	3	0	0	0	0	3	144,968	105,669	
2063	1	0	0	175	4	122	58	0	0	0	0	58	145,025	105,670	
2064	1	0	0	184	4	10	179	0	0	0	0	179	145,204	105,673	
2065	1	0	0	176	0	118	57	0	0	0	0	57	145,261	105,674	
2066	1	0	0	171	0	48	124	0	0	0	0	124	145,385	105,675	
2067	1	0	0	166	0	85	81	0	0	0	0	81	145,465	105,676	
2068	1	0	0	162	0	218	-56	0	0	0	0	-56	145,410	105,676	
2069	1	0	0	157	0	16,248	-16,091	0	0	0	0	-16,091	129,319	105,525	
Sub.	350	0	-499	217,992	22,028	110,562	129,458	60	34	45	139	129,319	129,319	105,525	
Rem.	1	0	0	1,668	0	2,770	-1,102	0	0	0	0	-1,102	128,217	105,525	
Tot.	350	0	-499	219,660	22,028	113,331	128,356	60	34	45	139	128,217	128,217	105,525	
Disc	161	0	-195	125,933	12,923	33,195	105,661	59	33	44	136	105,525	105,525	105,525	

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	2,547	37	2,584	2,317	1,000	2,584	11	60.5	6.5	5.6
Tight Oil	Mbbl	188	5	193	173	1,000	193	1	9.5	3.1	2.8
Total: Total Oil	Mbbl	2,735	42	2,777	2,491	1,000	2,777	12	60.5	6.0	5.4
Solution Gas	MMcf	10,070	155	10,225	9,260	6,000	1,704	7	60.5	6.0	5.1
Residue Gas	MMcf	74,665	2,109	76,774	71,364	6,000	12,796	53	60.5	8.2	6.7
Shale Gas	MMcf	1,287	63	1,350	1,271	6,000	225	1	24.5	3.2	2.8
Total: Gas	MMcf	86,023	2,326	88,349	81,894	6,000	14,725	62	60.5	7.7	6.4
Gas Heat Content	BBtu	92,274	2,465	94,739	87,776	0.000	0	0	60.5	7.7	6.4
Condensate	Mbbl	580	18	598	464	1,000	598	3	60.5	7.0	6.1
Field Condensate (NGL)	Mbbl	785	10	795	657	1,000	795	3	60.5	8.0	6.4
Butane	Mbbl	1,048	30	1,078	880	1,000	1,078	5	60.5	7.6	6.3
Propane	Mbbl	1,738	30	1,767	1,404	1,000	1,767	7	60.5	7.7	6.3
Ethane	Mbbl	2,138	50	2,188	2,050	1,000	2,188	9	60.5	7.8	6.3
Total: NGL	Mbbl	6,289	139	6,428	5,456	1,000	6,428	27	60.5	7.7	6.3
Total: Oil+NGL	Mbbl	9,026	181	9,207	7,948	1,000	9,207	38	60.5	7.1	6.0
Total: Oil Eq.	Mboe	23,365	569	23,934	21,599	1,000	23,934	100	60.5	7.5	6.2

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values					Net Revenue After Royalties					
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	48.61	-5.28	43.33	3.37	28.06	0.02	11.89	159,692	27	83,085	27
Tight Oil	\$/bbl	48.61	-6.97	41.64	1.93	9.63	0.00	30.08	9,791	2	7,343	2
Total: Total Oil	\$/bbl	48.61	-5.50	43.11	3.18	25.62	0.02	14.30	169,482	29	90,428	30
Solution Gas	\$/Mcf	2.12	-0.10	2.02	0.08	1.15	0.00	0.79	25,965	4	14,725	5
Residue Gas	\$/Mcf	2.12	0.10	2.23	0.05	2.13	0.00	0.05	219,059	37	112,007	37
Shale Gas	\$/Mcf	2.12	0.01	2.14	0.09	1.54	0.00	0.50	3,236	1	2,411	1
Total: Gas	\$/Mcf	2.12	0.07	2.19	0.06	1.96	0.00	0.17	248,260	42	129,143	42
Condensate	\$/bbl	51.39	-5.82	45.57	13.18	0.00	0.00	32.38	34,065	6	16,582	5
Field Condensate (NGL)	\$/bbl	51.43	-2.89	48.54	9.74	6.24	0.00	32.56	50,079	8	24,327	8
Butane	\$/bbl	25.00	-5.90	19.10	5.47	0.00	0.00	13.64	37,143	6	17,406	6
Propane	\$/bbl	23.85	-5.04	18.81	5.43	0.00	0.00	13.38	36,377	6	17,787	6
Ethane	\$/bbl	6.54	-0.84	5.70	-0.09	0.00	0.00	5.80	16,403	3	8,580	3
Total: NGL	\$/bbl	24.37	-3.61	20.76	4.90	0.74	0.00	15.12	174,067	29	84,682	28
Total: Oil+NGL	\$/bbl	33.02	-4.30	28.72	4.28	9.81	0.01	14.62	343,638	58	175,190	58
Total: Oil Eq.	\$/boe	20.72	-1.25	19.48	1.94	10.82	0.01	6.71	591,924	100	304,358	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**Net Present Value Before Income Tax**

	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	12.4803	11.0377	0	219,660	128,356	139	128,217	5.36
Non-crown Royalty	1.2583	1.2224	5	159,528	123,041	137	122,904	5.14
Mineral Tax	0.0309	0.0544	8	137,458	112,392	136	112,256	4.69
			10	125,933	105,661	136	105,525	4.41
			12	116,245	99,510	135	99,375	4.15
			15	104,307	91,402	134	91,268	3.81
			20	89,257	80,457	133	80,324	3.36

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 09:40:26

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: Summary

Reserve Class: Proved Plus Probable
 Development Class: Total
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl
2020	104	202	1,139	208	192	43.34	182	33	32	41.63	1,331	243	226	43.06
2021	70	153	968	353	324	49.48	135	49	47	47.75	1,102	402	371	49.27
2022	81	167	1,461	533	482	60.07	350	128	121	58.21	1,817	663	606	59.69
2023	94	175	1,869	682	603	65.29	974	356	338	63.22	2,863	1,045	947	64.54
2024	95	170	1,412	515	442	66.59	1,199	438	416	64.46	2,626	958	863	65.57
2025	93	163	1,056	385	327	67.85	1,079	394	373	65.75	2,147	784	704	66.76
2026	85	159	822	300	257	69.13	783	286	269	67.08	1,614	589	529	68.09
2027	83	159	697	254	220	70.47	540	197	181	68.45	1,237	452	401	69.59
2028	82	155	608	222	195	71.86	423	155	138	69.82	1,031	376	333	71.03
2029	76	154	517	189	167	73.45	349	127	114	71.23	866	316	281	72.55
2030	72	144	463	169	151	74.89	292	107	95	72.60	755	275	246	74.00
2031	67	140	415	151	136	76.36	246	90	80	73.95	661	241	216	75.46
2032	66	132	371	135	122	77.85	219	80	71	75.43	590	215	193	76.95
2033	55	126	319	117	106	79.69	197	72	64	76.94	516	188	169	78.64
2034	55	119	293	107	97	81.28	179	65	58	78.48	472	172	155	80.22
2035	51	109	261	95	87	82.96	163	60	54	80.05	424	155	140	81.84
2036	50	105	241	88	80	84.63	150	55	50	81.65	392	143	130	83.49
2037	49	99	221	81	74	86.33	138	50	46	83.28	359	131	119	85.16
2038	48	96	202	74	67	88.05	127	46	42	84.95	329	120	109	86.86
2039	46	89	176	64	59	89.88	117	43	37	86.65	292	107	95	88.59
2040	41	85	157	57	52	91.82	108	39	33	88.38	264	96	85	90.42
2041	38	68	136	50	45	93.75	99	36	31	90.15	235	86	76	92.24
2042	35	59	123	45	40	95.64	91	33	29	91.95	214	78	69	94.07
2043	27	52	85	31	28	97.57	84	31	26	93.79	169	62	55	95.70
2044	23	48	71	26	23	99.46	74	27	23	95.67	145	53	47	97.52
2045	18	45	49	18	16	101.23	68	25	22	97.58	117	43	38	99.11
2046	17	42	43	16	14	103.15	62	23	20	99.53	105	38	34	101.00
2047	15	39	37	13	12	104.94	57	21	18	101.52	94	34	30	102.86
2048	9	37	35	13	11	107.06	0	0	0	0.00	35	13	11	107.06
2049	8	34	31	11	10	109.22	0	0	0	0.00	31	11	10	109.22
2050	6	28	22	8	7	113.79	0	0	0	0.00	22	8	7	113.79
2051	3	23	16	6	5	116.83	0	0	0	0.00	16	6	5	116.83
2052	1	17	10	3	3	120.46	0	0	0	0.00	10	3	3	120.46
2053	1	13	9	3	3	122.87	0	0	0	0.00	9	3	3	122.87
2054	1	11	9	3	3	125.32	0	0	0	0.00	9	3	3	125.32
2055	1	10	9	3	3	127.83	0	0	0	0.00	9	3	3	127.83
2056	1	8	8	3	2	130.38	0	0	0	0.00	8	3	2	130.38
2057	1	7	8	3	2	132.97	0	0	0	0.00	8	3	2	132.97
2058	1	7	7	3	2	135.68	0	0	0	0.00	7	3	2	135.68
2059	1	5	7	2	2	138.36	0	0	0	0.00	7	2	2	138.36
2060	1	3	7	2	2	141.13	0	0	0	0.00	7	2	2	141.13
2061	1	2	6	2	2	143.96	0	0	0	0.00	6	2	2	143.96
2062	1	2	6	2	2	146.84	0	0	0	0.00	6	2	2	146.84
2063	1	2	6	2	2	149.77	0	0	0	0.00	6	2	2	149.77
2064	1	1	6	2	2	152.77	0	0	0	0.00	6	2	2	152.77
2065	0	0	6	2	2	155.83	0	0	0	0.00	6	2	2	155.83
2066	0	0	5	2	1	158.94	0	0	0	0.00	5	2	1	158.94
2067	0	0	5	2	1	162.13	0	0	0	0.00	5	2	1	162.13
2068	0	0	5	2	1	165.37	0	0	0	0.00	5	2	1	165.37
2069	0	0	5	2	1	168.68	0	0	0	0.00	5	2	1	168.68
Sub.				5,062	4,487	70.02		3,064	2,825	69.99		8,150	7,336	69.97
Rem.				15	12	190.39		0	0	0.00		15	12	190.39
Tot.				5,077	4,499	70.38		3,064	2,825	69.99		8,165	7,348	70.20

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	4,688	856	767	2.02	29,485	5,381	4,968	2.24	1,171	214	202	2.14
2021	4,033	1,472	1,325	2.20	38,850	14,180	13,218	2.42	843	308	291	2.28
2022	5,462	1,994	1,827	2.36	37,083	13,535	12,571	2.67	1,936	707	670	2.56
2023	6,012	2,194	2,010	2.45	42,136	15,380	14,296	2.72	4,262	1,556	1,478	2.63
2024	5,062	1,848	1,677	2.50	40,929	14,939	13,916	2.79	4,344	1,585	1,508	2.70
2025	3,915	1,429	1,289	2.56	31,658	11,555	10,701	2.84	3,163	1,154	1,096	2.76
2026	3,262	1,191	1,074	2.61	28,420	10,373	9,595	2.90	2,301	840	797	2.82
2027	2,834	1,034	942	2.66	24,530	8,953	8,346	2.95	1,705	622	589	2.87
2028	2,531	924	842	2.71	21,714	7,926	7,379	3.01	1,382	505	476	2.93
2029	2,190	799	728	2.76	19,415	7,086	6,595	3.06	1,163	424	400	2.99
2030	1,991	727	662	2.81	17,324	6,323	5,896	3.13	978	357	336	3.06
2031	1,829	667	608	2.86	15,655	5,714	5,340	3.19	842	307	289	3.12
2032	1,601	584	534	2.92	14,027	5,120	4,789	3.26	756	276	259	3.18
2033	1,332	486	445	2.97	12,495	4,561	4,268	3.32	679	248	233	3.24
2034	1,214	443	406	3.02	11,306	4,127	3,863	3.39	619	226	213	3.31
2035	1,061	387	357	3.08	9,948	3,631	3,401	3.46	568	207	196	3.37
2036	979	357	329	3.14	8,967	3,273	3,067	3.53	524	191	181	3.44
2037	896	327	301	3.21	8,068	2,945	2,762	3.61	480	175	166	3.51
2038	804	293	270	3.27	7,372	2,691	2,526	3.68	442	161	153	3.58
2039	716	261	241	3.33	6,618	2,416	2,271	3.76	407	148	140	3.65
2040	637	233	214	3.40	6,073	2,217	2,085	3.83	375	137	129	3.72
2041	558	204	187	3.47	5,168	1,886	1,774	3.89	344	126	119	3.80
2042	502	183	168	3.54	4,061	1,482	1,392	4.01	317	116	109	3.87
2043	321	117	108	3.69	3,350	1,223	1,148	4.13	291	106	100	3.95
2044	238	87	81	3.80	3,003	1,096	1,029	4.21	263	96	91	4.03
2045	168	61	57	3.97	2,669	974	914	4.29	240	88	83	4.11
2046	143	52	49	4.06	2,370	865	811	4.37	221	81	76	4.19
2047	125	46	43	4.13	2,134	779	730	4.46	203	74	70	4.28
2048	118	43	41	4.22	1,918	700	656	4.54	0	0	0	0.00
2049	109	40	37	4.31	1,686	615	577	4.63	0	0	0	0.00
2050	68	25	23	4.29	1,362	497	466	4.70	0	0	0	0.00
2051	43	16	15	4.52	1,085	396	370	4.78	0	0	0	0.00
2052	17	6	6	4.81	741	270	254	4.86	0	0	0	0.00
2053	17	6	6	4.91	513	187	175	4.98	0	0	0	0.00
2054	16	6	5	5.01	451	165	155	5.07	0	0	0	0.00
2055	16	6	5	5.11	358	131	122	5.17	0	0	0	0.00
2056	15	5	5	5.20	297	109	102	5.26	0	0	0	0.00
2057	14	5	5	5.30	252	92	86	5.36	0	0	0	0.00
2058	12	4	4	5.37	231	84	79	5.47	0	0	0	0.00
2059	11	4	4	5.47	147	54	50	5.63	0	0	0	0.00
2060	11	4	4	5.58	82	30	28	5.64	0	0	0	0.00
2061	11	4	3	5.70	73	27	25	5.78	0	0	0	0.00
2062	10	4	3	5.81	67	25	23	5.93	0	0	0	0.00
2063	10	4	3	5.93	48	18	16	5.95	0	0	0	0.00
2064	10	4	3	6.04	27	10	9	5.90	0	0	0	0.00
2065	9	3	3	6.16	6	2	2	6.09	0	0	0	0.00
2066	9	3	3	6.29	6	2	2	6.21	0	0	0	0.00
2067	9	3	3	6.41	6	2	2	6.33	0	0	0	0.00
2068	9	3	3	6.54	5	2	2	6.46	0	0	0	0.00
2069	8	3	3	6.67	5	2	2	6.59	0	0	0	0.00
Sub.		19,458	17,728	2.67		164,048	152,853	3.03		11,035	10,454	2.92
Rem.		20	20	7.30		10	9	7.19		0	0	0.00
Tot.		19,478	17,748	2.68		164,058	152,862	3.03		11,035	10,454	2.92

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	35,390	6,459	5,945	2.20	334	61	50	48.94	261	48	35	45.51
2021	43,727	15,960	14,835	2.39	484	177	152	55.70	268	98	76	52.26
2022	44,482	16,236	15,068	2.63	465	170	143	64.75	313	114	90	61.01
2023	52,415	19,131	17,785	2.68	521	190	163	70.25	421	154	126	65.57
2024	50,338	18,373	17,102	2.75	514	188	161	72.03	423	154	128	66.53
2025	38,738	14,139	13,087	2.80	379	138	112	73.38	317	116	92	68.05
2026	33,985	12,405	11,466	2.87	344	126	101	74.95	257	94	73	69.81
2027	29,069	10,610	9,878	2.92	292	107	91	76.47	214	78	68	71.47
2028	25,627	9,354	8,698	2.97	256	93	79	78.06	186	68	59	73.08
2029	22,767	8,310	7,724	3.03	227	83	70	79.71	164	60	52	74.69
2030	20,293	7,407	6,894	3.09	202	74	63	81.38	145	53	46	76.27
2031	18,326	6,689	6,237	3.15	183	67	57	82.99	130	48	42	77.82
2032	16,384	5,980	5,583	3.22	163	60	51	84.71	118	43	38	79.34
2033	14,506	5,295	4,946	3.29	146	53	46	86.47	104	38	33	80.84
2034	13,139	4,796	4,483	3.35	133	49	42	88.21	94	34	30	82.48
2035	11,576	4,225	3,954	3.42	117	43	37	90.09	84	31	27	84.02
2036	10,469	3,821	3,577	3.49	106	39	34	91.91	77	28	25	85.66
2037	9,444	3,447	3,230	3.57	95	35	31	93.81	70	25	23	87.30
2038	8,618	3,145	2,950	3.64	86	31	28	95.72	64	23	21	89.04
2039	7,741	2,825	2,652	3.71	76	28	25	97.71	58	21	19	90.74
2040	7,085	2,586	2,428	3.78	70	25	23	99.66	53	19	17	92.48
2041	6,070	2,216	2,080	3.85	63	23	20	101.68	42	15	13	94.19
2042	4,879	1,781	1,669	3.96	56	20	18	103.69	37	14	12	95.84
2043	3,962	1,446	1,356	4.08	49	18	16	105.90	31	11	10	97.26
2044	3,504	1,279	1,200	4.17	45	16	14	108.07	27	10	9	99.13
2045	3,077	1,123	1,054	4.26	39	14	13	110.31	24	9	8	100.97
2046	2,734	998	937	4.34	34	13	11	112.55	22	8	7	102.88
2047	2,463	899	844	4.43	31	11	10	114.81	20	7	6	104.87
2048	2,036	743	696	4.53	28	10	9	117.07	12	4	4	110.20
2049	1,794	655	614	4.61	24	9	8	119.38	11	4	3	112.36
2050	1,430	522	489	4.68	20	7	6	121.77	8	3	2	114.78
2051	1,128	412	385	4.77	15	6	5	124.27	6	2	2	116.38
2052	758	277	260	4.86	11	4	3	126.90	4	1	1	119.27
2053	529	193	181	4.97	8	3	2	129.58	3	1	1	120.63
2054	467	171	160	5.07	7	2	2	132.16	3	1	1	123.16
2055	374	136	128	5.17	5	2	2	134.92	2	1	1	125.16
2056	312	114	106	5.26	4	1	1	137.48	2	1	1	127.92
2057	266	97	91	5.35	4	1	1	140.31	2	1	1	130.21
2058	242	88	82	5.46	3	1	1	143.14	1	1	0	132.84
2059	158	58	54	5.62	2	1	1	145.83	1	0	0	135.40
2060	93	34	31	5.64	1	0	0	147.19	0	0	0	140.14
2061	84	31	28	5.77	1	0	0	150.23	0	0	0	142.75
2062	78	28	26	5.91	1	0	0	153.31	0	0	0	145.45
2063	58	21	20	5.95	1	0	0	156.54	0	0	0	148.05
2064	37	13	12	5.94	0	0	0	157.72	0	0	0	153.41
2065	15	6	5	6.13	0	0	0	161.71	0	0	0	150.14
2066	15	5	5	6.26	0	0	0	164.95	0	0	0	153.16
2067	14	5	5	6.38	0	0	0	168.25	0	0	0	156.22
2068	14	5	4	6.51	0	0	0	171.61	0	0	0	159.36
2069	13	5	4	6.64	0	0	0	175.04	0	0	0	162.55
Sub.		194,555	181,047	2.99		1,999	1,703	77.67		1,441	1,201	71.99
Rem.		31	29	7.26		1	0	194.23		0	0	184.58
Tot.		194,585	181,076	2.99		2,000	1,704	77.70		1,441	1,201	72.00

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	433	79	60	18.83	712	130	97	18.55	828	151	141	5.71
2021	522	190	155	25.66	830	303	242	19.26	1,017	371	348	6.19
2022	532	194	159	33.87	818	299	238	22.36	1,002	366	343	6.85
2023	603	220	184	38.68	916	334	272	23.27	1,093	399	375	6.97
2024	568	207	172	39.01	872	318	256	23.12	947	346	324	7.06
2025	436	159	126	40.08	672	245	189	23.82	767	280	262	7.28
2026	382	139	110	41.39	586	214	163	24.54	688	251	235	7.42
2027	328	120	105	42.22	508	186	157	25.06	599	219	205	7.55
2028	289	105	92	43.05	450	164	139	25.56	530	194	181	7.70
2029	256	94	82	43.91	399	146	123	26.07	472	172	161	7.85
2030	228	83	73	44.81	355	130	110	26.59	417	152	142	7.99
2031	206	75	67	45.72	322	117	100	27.14	378	138	129	8.12
2032	184	67	60	46.64	286	104	89	27.67	333	122	114	8.31
2033	164	60	53	47.57	254	93	79	28.18	297	108	102	8.46
2034	148	54	48	48.56	229	84	71	28.76	268	98	92	8.64
2035	130	48	43	49.49	201	73	63	29.28	234	85	80	8.82
2036	117	43	39	50.36	182	66	57	29.86	210	77	72	9.00
2037	106	39	35	51.34	163	60	51	30.44	186	68	64	9.16
2038	96	35	32	52.32	147	54	46	31.04	167	61	57	9.36
2039	85	31	28	53.31	130	47	41	31.65	147	53	50	9.54
2040	77	28	26	54.37	118	43	37	32.28	133	49	46	9.73
2041	67	24	22	55.72	102	37	32	33.04	116	42	40	9.93
2042	59	21	19	56.85	89	33	28	33.75	103	38	35	10.10
2043	49	18	16	58.21	73	27	23	34.50	82	30	28	10.43
2044	44	16	14	59.44	64	23	20	35.26	72	26	25	10.69
2045	38	14	13	60.36	56	20	17	35.90	63	23	22	10.92
2046	34	12	11	61.37	49	18	15	36.48	55	20	19	11.11
2047	30	11	10	62.56	44	16	14	37.21	49	18	17	11.32
2048	26	10	9	64.13	40	14	12	38.11	45	16	15	11.55
2049	23	8	8	65.38	35	13	11	38.91	39	14	14	11.77
2050	18	7	6	66.37	28	10	9	39.49	33	12	11	12.02
2051	14	5	5	67.05	23	8	7	39.91	26	9	9	12.27
2052	10	4	3	68.04	16	6	5	40.12	18	7	6	12.44
2053	7	3	2	67.90	12	4	4	40.06	12	4	4	12.71
2054	6	2	2	69.16	10	4	3	40.80	11	4	4	12.94
2055	5	2	2	69.04	8	3	3	40.82	8	3	3	13.15
2056	4	1	1	70.61	7	3	2	41.86	7	3	2	13.40
2057	3	1	1	71.68	6	2	2	42.56	6	2	2	13.68
2058	3	1	1	72.87	5	2	2	43.25	5	2	2	13.94
2059	2	1	1	76.21	4	1	1	45.12	4	1	1	14.39
2060	1	1	0	81.19	2	1	1	49.18	3	1	1	14.76
2061	1	0	0	82.65	2	1	1	49.99	3	1	1	15.06
2062	1	0	0	84.29	2	1	1	50.91	2	1	1	15.37
2063	1	0	0	84.20	1	0	0	51.42	2	1	1	15.61
2064	1	0	0	87.07	1	0	0	54.73	1	0	0	15.88
2065	0	0	0	93.89	1	0	0	57.37	1	0	0	16.65
2066	0	0	0	95.77	1	0	0	58.52	1	0	0	16.98
2067	0	0	0	97.70	1	0	0	59.69	1	0	0	17.32
2068	0	0	0	99.65	1	0	0	60.88	1	0	0	17.67
2069	0	0	0	101.65	1	0	0	62.10	1	0	0	18.02
Sub.		2,235	1,897	41.49		3,458	2,830	25.42		4,040	3,789	7.70
Rem.		1	1	122.94		1	1	81.64		2	2	20.07
Tot.		2,236	1,897	41.52		3,460	2,831	25.44		4,042	3,791	7.71

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	2,569	469	383	21.15	3,901	712	609	28.63	9,800	1,788	1,600	19.36
2021	3,120	1,139	973	24.55	4,223	1,541	1,344	31.00	11,510	4,201	3,816	20.46
2022	3,129	1,142	973	29.51	4,946	1,805	1,579	40.59	12,360	4,511	4,090	25.69
2023	3,554	1,297	1,120	32.77	6,417	2,342	2,067	46.95	15,153	5,531	5,031	29.17
2024	3,325	1,214	1,041	34.35	5,951	2,172	1,904	48.13	14,340	5,234	4,754	29.64
2025	2,570	938	782	34.38	4,717	1,722	1,485	49.12	11,174	4,078	3,667	30.45
2026	2,257	824	682	35.01	3,871	1,413	1,211	48.80	9,535	3,480	3,122	30.02
2027	1,942	709	626	35.40	3,179	1,160	1,026	48.71	8,024	2,929	2,673	29.87
2028	1,711	624	551	35.99	2,742	1,001	884	49.17	7,013	2,560	2,334	30.09
2029	1,517	554	488	36.67	2,383	870	769	49.71	6,178	2,255	2,056	30.35
2030	1,348	492	434	37.48	2,102	767	680	50.59	5,484	2,002	1,829	30.83
2031	1,219	445	394	38.18	1,880	686	610	51.29	4,934	1,801	1,650	31.25
2032	1,085	396	352	39.14	1,675	611	545	52.46	4,405	1,608	1,475	31.92
2033	965	352	314	39.92	1,481	541	483	53.41	3,899	1,423	1,307	32.52
2034	871	318	284	40.78	1,343	490	439	54.63	3,533	1,289	1,186	33.23
2035	766	280	250	41.76	1,191	435	391	56.04	3,120	1,139	1,050	34.08
2036	692	252	226	42.67	1,083	395	356	57.43	2,828	1,032	952	34.92
2037	620	226	203	43.74	980	358	323	58.93	2,553	932	861	35.80
2038	560	204	184	44.75	889	324	293	60.32	2,325	849	784	36.54
2039	495	181	162	45.86	787	287	258	61.74	2,077	758	700	37.22
2040	450	164	147	46.85	715	261	233	62.96	1,896	692	637	37.88
2041	390	142	127	47.85	625	228	203	64.54	1,637	597	550	38.92
2042	344	126	113	48.60	558	204	182	66.01	1,371	500	460	40.94
2043	285	104	93	50.78	454	166	148	67.51	1,114	407	374	42.01
2044	251	92	82	52.17	396	144	129	68.75	980	358	329	42.67
2045	219	80	72	53.35	336	123	109	69.29	849	310	285	42.87
2046	194	71	63	54.55	299	109	97	70.89	754	275	253	43.81
2047	174	64	57	55.75	268	98	87	72.31	679	248	228	44.64
2048	150	55	49	55.11	185	67	60	64.87	524	191	176	40.46
2049	132	48	43	56.11	163	60	53	66.19	462	169	156	41.29
2050	107	39	35	56.37	129	47	42	66.24	368	134	123	41.49
2051	84	31	27	57.16	100	37	32	66.53	288	105	96	41.79
2052	58	21	19	57.63	67	25	22	66.53	194	71	65	42.18
2053	41	15	13	58.96	51	18	16	70.59	139	51	46	44.68
2054	36	13	12	60.14	45	16	14	73.05	123	45	41	45.99
2055	28	10	9	61.35	37	14	12	76.73	99	36	33	48.06
2056	24	9	8	61.72	32	12	10	79.29	84	31	28	49.73
2057	21	8	7	63.34	29	10	9	82.33	73	27	24	51.76
2058	19	7	6	64.81	26	9	8	84.58	66	24	22	52.97
2059	13	5	4	66.47	19	7	6	91.79	46	17	15	58.28
2060	8	3	3	61.10	15	5	4	96.30	31	11	10	64.52
2061	7	3	2	63.05	14	5	4	100.50	28	10	9	67.25
2062	7	2	2	64.94	13	5	4	104.15	26	9	8	69.71
2063	5	2	2	66.12	11	4	3	110.95	21	8	7	75.80
2064	3	1	1	61.98	9	3	3	119.37	15	6	5	85.88
2065	2	1	1	64.27	8	3	2	132.04	10	4	3	108.13
2066	2	1	1	65.55	7	3	2	134.67	10	4	3	110.27
2067	2	1	1	66.86	7	3	2	137.35	9	3	3	112.46
2068	2	1	1	68.20	7	3	2	140.08	9	3	3	114.68
2069	2	1	1	69.55	7	2	2	142.86	9	3	3	116.95
Sub.		13,174	11,420	35.74		21,324	18,756	48.82		53,749	48,930	30.20
Rem.		4	4	79.23		19	16	165.55		25	21	140.21
Tot.		13,178	11,424	35.75		21,343	18,771	48.93		53,774	48,951	30.25

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Total	Total	Process.	Crown	Other	Crown	Other	After	After			
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	10,262	13,779	9,677	33,717	909	34,627	305	4,003	392	1,373	71	2,951	31,371	9,639	9,132	18,772
2021	19,465	37,446	27,544	84,455	1,510	85,965	434	8,873	704	2,605	114	6,858	78,674	13,943	20,701	34,643
2022	39,195	41,916	33,264	114,375	1,541	115,916	392	12,275	742	2,705	106	10,207	105,318	14,727	22,366	37,094
2023	66,334	50,691	42,056	159,082	2,237	161,319	354	16,384	994	3,058	109	14,211	146,754	16,968	27,847	44,815
2024	61,061	49,957	41,238	152,256	2,868	155,124	310	16,175	1,061	2,973	109	14,154	140,660	17,612	26,640	44,251
2025	50,322	39,037	31,843	121,202	2,990	124,192	288	14,431	852	2,665	100	12,519	111,385	17,529	20,850	38,379
2026	38,529	35,102	28,517	102,148	2,345	104,493	187	12,570	709	2,406	87	10,786	93,520	16,789	17,988	34,777
2027	30,370	30,585	24,806	85,761	1,724	87,485	175	8,747	635	1,491	82	7,809	79,501	16,930	15,647	32,577
2028	25,916	27,483	22,218	75,618	1,418	77,035	164	7,786	582	1,333	78	6,957	69,914	16,951	14,032	30,983
2029	22,253	24,888	20,077	67,217	1,215	68,432	154	6,861	537	1,224	74	6,100	62,179	16,456	12,645	29,100
2030	19,794	22,627	18,233	60,654	1,062	61,717	135	6,012	489	1,081	67	5,353	56,229	15,847	11,490	27,336
2031	17,701	20,839	16,795	55,335	944	56,279	127	5,335	434	953	60	4,756	51,396	15,471	10,554	26,025
2032	16,120	19,030	15,328	50,478	842	51,321	114	4,779	362	837	54	4,250	46,956	14,867	9,648	24,515
2033	14,403	17,201	13,908	45,512	759	46,271	107	4,237	310	702	49	3,796	42,368	13,972	8,691	22,663
2034	13,442	15,898	12,836	42,176	675	42,851	95	3,820	289	625	46	3,438	39,317	13,827	8,064	21,892
2035	12,335	14,310	11,571	38,216	601	38,817	79	3,400	236	554	38	3,044	35,694	13,027	7,255	20,282
2036	11,619	13,230	10,695	35,544	510	36,054	71	3,098	216	503	35	2,777	33,206	12,851	6,702	19,553
2037	10,869	12,188	9,830	32,886	476	33,363	65	2,801	202	452	33	2,519	30,778	12,691	6,162	18,853
2038	10,137	11,349	9,080	30,566	444	31,010	60	2,587	191	412	31	2,336	28,614	12,528	5,724	18,252
2039	9,193	10,395	8,218	27,807	414	28,220	56	2,489	170	368	26	2,265	25,899	11,898	5,183	17,081
2040	8,474	9,700	7,647	25,820	388	26,208	51	2,406	163	341	25	2,203	23,954	11,402	4,815	16,217
2041	7,681	8,463	6,765	22,909	341	23,251	41	2,149	157	295	24	1,987	21,223	10,458	4,238	14,696
2042	7,117	6,994	6,068	20,179	312	20,491	35	1,910	150	245	23	1,793	18,663	9,672	3,475	13,147
2043	5,698	5,851	5,245	16,794	288	17,082	29	1,611	102	193	15	1,505	15,549	8,116	2,791	10,907
2044	4,961	5,283	4,748	14,991	266	15,257	24	1,443	84	172	13	1,343	13,890	7,530	2,469	9,999
2045	4,060	4,741	4,239	13,039	247	13,286	21	1,263	66	151	12	1,166	12,099	6,823	2,110	8,933
2046	3,709	4,302	3,835	11,847	217	12,064	16	1,157	58	139	11	1,065	10,983	6,529	1,910	8,439
2047	3,385	3,957	3,524	10,866	195	11,061	10	1,070	56	127	11	988	10,064	6,332	1,739	8,071
2048	1,336	3,349	3,011	7,697	43	7,740	10	697	54	118	11	624	7,107	4,184	1,491	5,675
2049	1,217	3,017	2,708	6,942	28	6,970	3	641	43	108	8	568	6,400	3,959	1,344	5,304
2050	903	2,439	2,197	5,539	27	5,566	3	539	41	91	8	482	5,081	3,170	1,082	4,252
2051	658	1,959	1,758	4,375	19	4,394	2	435	41	77	8	391	4,001	2,500	881	3,381
2052	408	1,341	1,215	2,965	18	2,983	2	306	26	57	5	269	2,712	1,566	639	2,204
2053	401	957	887	2,245	18	2,263	2	240	25	44	5	216	2,045	1,116	497	1,612
2054	395	862	786	2,043	17	2,060	2	221	22	39	4	200	1,858	1,025	446	1,470
2055	389	702	635	1,726	16	1,742	2	195	20	34	4	177	1,563	840	377	1,217
2056	384	597	534	1,515	9	1,524	1	176	20	30	4	163	1,360	735	325	1,060
2057	377	519	478	1,374	3	1,377	1	162	20	25	4	153	1,223	684	286	970
2058	357	481	440	1,277	3	1,280	1	153	19	24	4	145	1,134	652	264	915
2059	343	322	302	968	3	971	1	123	19	15	3	124	846	469	193	661
2060	340	190	186	715	3	718	1	111	19	9	3	118	600	297	130	427
2061	334	175	169	678	3	681	1	107	19	8	3	114	566	277	121	398
2062	330	166	158	653	3	656	1	103	19	8	3	111	545	264	116	380
2063	326	125	124	574	3	577	0	99	12	6	2	103	474	205	92	296
2064	323	77	75	475	3	478	0	91	7	5	0	93	385	134	66	200
2065	318	34	46	397	0	397	0	82	7	3	0	86	311	80	55	135
2066	314	34	45	393	0	393	0	81	7	3	0	85	308	82	54	136
2067	310	33	45	388	0	388	0	80	7	3	0	84	304	83	54	137
2068	307	33	45	385	0	385	0	80	6	3	0	84	301	85	53	138
2069	303	32	44	379	0	379	0	79	6	3	0	82	297	87	53	139
Sub.	554,775	574,687	465,697	1,595,160	27,955	1,623,115	3,933	164,476	11,404	30,691	1,584	143,605	1,475,577	383,875	299,487	683,362
Rem.	2,871	222	344	3,437	0	3,437	0	676	6	13	0	669	2,767	639	460	1,099
Tot.	557,646	574,909	466,040	1,598,596	27,955	1,626,551	3,933	165,152	11,410	30,704	1,584	144,274	1,478,345	384,514	299,946	684,460
Disc	285,083	287,821	230,110	803,014	14,586	817,600	2,295	85,145	5,808	17,272	782	72,900	742,406	148,328	153,702	302,030

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$		Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
						Dev. M\$	Plant M\$		Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$		
2020	9	0	-12	12,602	1,960	1,782	12,780	7,540	704	842	9,086	3,695	3,695	3,608	
2021	19	0	-25	44,036	2,760	1,800	44,996	29,917	1,560	2,257	33,734	11,262	14,957	13,846	
2022	28	0	-26	68,222	3,178	1,836	69,564	39,948	8,218	4,579	52,745	16,820	31,777	27,747	
2023	26	0	-25	101,937	2,661	1,873	102,725	69,495	5,924	13,305	88,724	14,001	45,778	38,266	
2024	24	0	-23	96,407	2,342	1,910	96,839	24,236	1,200	2,536	27,971	68,868	114,646	85,304	
2025	21	0	-21	73,005	1,979	13,772	61,211	5,612	279	293	6,184	55,028	169,674	119,472	
2026	18	0	-19	58,745	1,699	2,460	57,985	4,332	309	413	5,054	52,931	222,604	149,350	
2027	16	0	-23	46,930	1,555	2,778	45,707	0	0	0	0	45,707	268,312	172,805	
2028	16	0	-21	38,936	1,425	3,852	36,509	0	0	0	0	36,509	304,821	189,837	
2029	14	0	-20	33,085	1,292	3,863	30,514	0	0	0	0	30,514	335,335	202,778	
2030	13	0	-19	28,899	1,111	4,494	25,517	0	0	0	0	25,517	360,852	212,616	
2031	11	0	-18	25,378	1,020	3,159	23,240	0	0	0	0	23,240	384,092	220,761	
2032	11	0	-17	22,448	925	3,352	20,021	0	0	0	0	20,021	404,113	227,140	
2033	10	0	-16	19,712	798	4,003	16,506	0	0	0	0	16,506	420,619	231,921	
2034	9	0	-16	17,432	711	4,638	13,505	0	0	0	0	13,505	434,123	235,478	
2035	9	0	-15	15,419	632	2,166	13,885	0	0	0	0	13,885	448,009	238,802	
2036	8	0	-14	13,660	578	1,919	12,318	0	0	0	0	12,318	460,326	241,482	
2037	7	0	-13	11,930	524	3,260	9,194	0	0	0	0	9,194	469,520	243,301	
2038	7	0	-12	10,368	478	1,807	9,039	0	0	0	0	9,039	478,559	244,927	
2039	6	0	-12	8,824	408	5,869	3,363	0	0	0	0	3,363	481,922	245,477	
2040	6	0	-11	7,742	361	816	7,287	0	0	0	0	7,287	489,210	246,560	
2041	6	0	-10	6,532	332	1,044	5,820	0	0	0	0	5,820	495,029	247,347	
2042	5	0	-10	5,520	293	759	5,054	0	0	0	0	5,054	500,083	247,967	
2043	5	0	-9	4,647	200	1,978	2,869	0	0	0	0	2,869	502,953	248,288	
2044	5	0	-9	3,895	151	1,106	2,941	0	0	0	0	2,941	505,893	248,586	
2045	5	0	-7	3,168	114	4,427	-1,145	0	0	0	0	-1,145	504,748	248,481	
2046	4	0	-6	2,546	102	2,374	275	0	0	0	0	275	505,023	248,504	
2047	4	0	-6	1,994	94	2,984	-896	0	0	0	0	-896	504,127	248,436	
2048	4	0	-6	1,434	87	1,417	103	0	0	0	0	103	504,231	248,443	
2049	4	0	-6	1,098	80	3,689	-2,511	0	0	0	0	-2,511	501,720	248,284	
2050	2	0	-5	833	73	1,304	-398	0	0	0	0	-398	501,322	248,262	
2051	2	0	-5	623	67	999	-309	0	0	0	0	-309	501,013	248,245	
2052	2	0	-5	511	61	3,604	-3,032	0	0	0	0	-3,032	497,980	248,102	
2053	2	0	-5	436	56	793	-302	0	0	0	0	-302	497,678	248,089	
2054	2	0	-5	391	53	2,204	-1,761	0	0	0	0	-1,761	495,917	248,020	
2055	1	0	-5	349	11	1,596	-1,236	0	0	0	0	-1,236	494,681	247,976	
2056	1	0	-4	303	9	2,589	-2,277	0	0	0	0	-2,277	492,405	247,902	
2057	1	0	-3	255	8	1,087	-824	0	0	0	0	-824	491,581	247,878	
2058	1	0	-3	221	7	375	-147	0	0	0	0	-147	491,434	247,874	
2059	1	0	-3	187	7	2,033	-1,839	0	0	0	0	-1,839	489,594	247,829	
2060	1	0	-3	175	6	608	-427	0	0	0	0	-427	489,167	247,820	
2061	1	0	-3	171	5	99	77	0	0	0	0	77	489,244	247,822	
2062	1	0	-1	165	5	163	7	0	0	0	0	7	489,252	247,822	
2063	1	0	0	177	4	691	-509	0	0	0	0	-509	488,742	247,813	
2064	1	0	0	184	4	606	-418	0	0	0	0	-418	488,324	247,807	
2065	1	0	0	176	0	118	57	0	0	0	0	57	488,382	247,808	
2066	1	0	0	171	0	48	124	0	0	0	0	124	488,505	247,809	
2067	1	0	0	166	0	85	81	0	0	0	0	81	488,586	247,810	
2068	1	0	0	162	0	379	-217	0	0	0	0	-217	488,369	247,808	
2069	1	0	0	157	0	16,248	-16,091	0	0	0	0	-16,091	472,278	247,657	
Sub.	350	0	-499	792,365	30,226	126,816	695,775	181,079	18,194	24,223	223,496	472,278	472,278	247,657	
Rem.	1	0	0	1,668	0	2,770	-1,102	0	0	0	0	-1,102	471,177	247,657	
Tot.	350	0	-499	794,033	30,226	129,586	694,673	181,079	18,194	24,223	223,496	471,177	471,177	247,657	
Disc	161	0	-195	440,410	17,106	34,273	423,243	142,270	14,515	18,800	175,586	247,657	247,657	247,657	

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company		Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
				Net	Net						
Light/Med Oil	Mbbl	5,039	37	5,077	4,499	1,000	5,077	9	60.5	12.2	5.6
Tight Oil	Mbbl	2,882	182	3,064	2,825	1,000	3,064	6	27.5	46.1	6.5
Total: Total Oil	Mbbl	7,921	219	8,140	7,324	1,000	8,140	15	60.5	16.9	6.0
Solution Gas	MMcf	19,323	155	19,478	17,748	6,000	3,246	6	60.5	11.4	6.0
Residue Gas	MMcf	161,876	2,183	164,058	152,862	6,000	27,343	51	60.5	15.2	6.7
Shale Gas	MMcf	10,702	333	11,035	10,454	6,000	1,839	3	27.5	25.8	6.0
Total: Gas	MMcf	191,901	2,670	194,571	181,063	6,000	32,429	60	60.5	15.1	6.6
Gas Heat Content	BBtu	206,915	2,827	209,742	195,147	0.000	0	0	60.5	15.1	6.6
Condensate	Mbbl	1,414	27	1,441	1,201	1,000	1,441	3	60.5	15.1	6.4
Field Condensate (NGL)	Mbbl	1,989	11	2,000	1,704	1,000	2,000	4	60.5	16.4	6.6
Butane	Mbbl	2,203	33	2,236	1,897	1,000	2,236	4	60.5	14.1	6.5
Propane	Mbbl	3,428	32	3,460	2,831	1,000	3,460	6	60.5	13.3	6.5
Ethane	Mbbl	3,988	54	4,042	3,791	1,000	4,042	8	60.5	13.4	6.4
Total: NGL	Mbbl	13,021	156	13,178	11,424	1,000	13,178	25	60.5	14.1	6.5
Total: Oil+NGL	Mbbl	20,967	375	21,343	18,771	1,000	21,343	40	60.5	15.0	6.3
Total: Oil Eq.	Mboe	52,953	820	53,774	48,951	1,000	53,774	100	60.5	15.0	6.4

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	48.61	-5.27	43.34	3.32	27.05	0.02	12.95	315,741	21	164,667	22
Tight Oil	\$/bbl	48.61	-6.98	41.63	1.92	9.80	0.00	29.90	196,985	13	98,217	13
Total: Total Oil	\$/bbl	48.61	-5.50	43.11	3.13	24.70	0.02	15.27	512,727	35	262,883	35
Solution Gas	\$/Mcf	2.12	-0.10	2.02	0.08	1.15	0.00	0.79	49,733	3	26,318	4
Residue Gas	\$/Mcf	2.12	0.11	2.24	0.05	2.02	0.00	0.17	479,544	32	239,412	32
Shale Gas	\$/Mcf	2.12	0.01	2.14	0.09	1.51	0.00	0.53	30,513	2	15,651	2
Total: Gas	\$/Mcf	2.12	0.08	2.20	0.06	1.89	0.00	0.26	559,790	38	281,381	38
Condensate	\$/bbl	51.39	-5.88	45.51	12.05	0.00	0.00	33.46	88,748	6	43,354	6
Field Condensate (NGL)	\$/bbl	51.43	-2.48	48.94	8.58	6.56	0.00	33.80	133,070	9	64,484	9
Butane	\$/bbl	25.00	-6.17	18.83	5.06	0.00	0.00	13.77	80,326	5	38,250	5
Propane	\$/bbl	23.85	-5.30	18.55	5.00	0.00	0.00	13.55	71,955	5	35,532	5
Ethane	\$/bbl	6.54	-0.83	5.71	-0.08	0.00	0.00	5.79	30,440	2	15,580	2
Total: NGL	\$/bbl	24.85	-3.70	21.15	4.55	0.85	0.00	15.74	404,539	27	197,200	27
Total: Oil+NGL	\$/bbl	32.96	-4.33	28.63	4.06	9.17	0.01	15.39	918,610	62	461,024	62
Total: Oil Eq.	\$/boe	20.55	-1.19	19.36	1.82	10.27	0.01	7.27	1,478,443	100	742,441	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**Net Present Value Before Income Tax**

	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	11.8712	10.3311	0	794,033	694,673	223,496	471,177	8.76
Non-crown Royalty	1.1636	0.7138	5	570,547	535,901	197,215	338,686	6.30
Mineral Tax	0.0278	0.0219	8	485,290	463,159	183,752	279,407	5.20
			10	440,410	423,243	175,586	247,657	4.61
			12	402,546	388,897	167,996	220,901	4.11
			15	355,747	345,749	157,579	188,170	3.50
			20	296,577	290,293	142,432	147,861	2.75

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 13:02:24

RESERVES DEFINITIONS

Reserves estimates have been prepared by GLJ in accordance with standards contained in the Canadian Oil and Gas Evaluation (COGE) Handbook. The following reserves definitions are set out by the Canadian Securities Administrators in National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities (NI 51-101; in Part 2 of the Glossary to NI 51-101) with reference to the COGE Handbook [modified to reference the new COGE Handbook].

Reserves Categories

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on:

- analysis of drilling, geological, geophysical, and engineering data;
- the use of established technology;
- specified economic conditions¹, which are generally accepted as being reasonable, and shall be disclosed.

Reserves are categorized 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. 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 Sections 1.3 and 1.4 of the COGE Handbook.

Development and Production Status

Each of the reserves categories (proved, probable, and possible) may be divided into developed and undeveloped categories.

¹ For securities reporting, the key economic assumptions will be the prices and costs used in the estimate. The required assumptions may vary by jurisdiction, for example:

(a) **forecast prices and costs, in Canada under NI 51-101**

(b) **constant prices and costs, based on the average of the first day posted prices in each of the 12 months of the reporting issuer's financial year, under US SEC rules (this is optional disclosure under NI 51-101).**

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 are those 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.

Undeveloped Reserves

Undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, 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 category (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 referred to in the definitions above are applicable to individual reserves entities (which refers to the lowest level at which reserves calculations are performed) and to Reported Reserves (which refers to the highest level sum of individual entity estimates for which reserves 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, the majority of reserves estimates are prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

Additional clarification of certainty levels associated with *reserves* estimates and the effect of aggregation is provided in Section 5.7 of the COGE Handbook.

DOCUMENTED RESERVES CATEGORIES

Production and revenue projections are prepared for each of the following main reserves categories:

Reserves Category

Proved
Proved Plus Probable

Production and Development Status

Developed Producing*
Developed Non-Producing
Undeveloped
Total (sum of developed producing, developed non-producing and undeveloped)

** as producing reserves are inherently developed, GLJ simply refers to “developed producing” reserves as “producing”*

Reserves and revenue projections are available in GLJ’s evaluation database for any reserves and development subcategory including those determined by difference (e.g., probable producing).

The following reserves categories are documented in this Corporate Summary volume:

Proved Producing
Proved Developed Non-Producing
Proved Undeveloped
Total Proved
Total Probable
Proved Plus Probable Producing
Total Proved Plus Probable

Individual property evaluation reports contain detailed documentation of reserves estimation methodology and evaluation procedures.

When evaluating reserves, GLJ evaluators generally first identify the producing situation and assign proved, proved plus probable and proved plus probable plus possible reserves in recognition of the existing level of development and the existing depletion strategy. Incremental non-producing (developed non-producing or undeveloped) reserves are subsequently assigned recognizing future development opportunities and enhancements to the depletion mechanism. It should be recognized that future developments may result in accelerated recovery of producing reserves.

EVALUATION PROCEDURE

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EVALUATION PROCEDURE

The following outlines the methodology employed by GLJ in conducting the evaluation of the Gain Energy's oil and gas properties. GLJ evaluation procedures are in compliance with standards contained in the Canadian Oil and Gas Evaluation (COGE) Handbook.

INTEREST DESCRIPTIONS

The Company provided GLJ with current land interest information. The Company provided a representation letter confirming accuracy of land information. Certain cross-checks of land and accounting information were undertaken by GLJ as recommended in the COGE Handbook. In this process, nothing came to GLJ's attention that indicated that information provided by the Company was incomplete or unreliable.

In GLJ's reports, "Company Interest" reserves and values refer to the sum of royalty interest* and working interest reserves before deduction of royalty burdens payable. "Working Interest" reserves equate to those reserves that are referred to as "Company Gross" reserves by the Canadian Securities Administrators (CSA) in NI 51-101.

In the Securities Reporting section, working interest (or Company Gross) volumes are presented in tables to correspond to NI 51-101 disclosure requirements.

**Royalty interest reserves include royalty volumes derived only from other working interest owners.*

WELL DATA

Pertinent interest and offset well data such as drill stem tests, workovers, pressure surveys, production tests, etc., were provided by the Company or were obtained from other operators, public records or GLJ nonconfidential files.

ACCOUNTING SUMMARY

The Company provided GLJ with available accounting data on a property basis and for the corporate total for the period May 01, 2019 to April 30, 2020. In some circumstances this information was also provided on a cost centre basis to address major reserves entities that are a subset of a Company property.

PRODUCTION FORECASTS

In establishing all production forecasts, consideration was given to existing gas contracts and the possibility of contract revisions, to the operator's plans for development drilling and to reserves and well capability. Generally, development drilling in an area was not considered unless there was some indication from the operator that drilling could be expected.

The on-stream date for currently shut-in reserves was estimated with consideration given to the following:

- proximity to existing facilities
- plans of the operator
- economics

OTHER INCOME

The following streams are included as “Other Income” in the Company’s corporate total economic forecasts:

- Processing Income – The Company receives revenue from processing partner and third-party oil, gas and/or water volumes in certain properties as summarized (for the total proved plus probable reserves category) in Table EP-1.

ECONOMIC PARAMETERS

Pertinent economic parameters are listed as follows:

- a) The effective date is June 30, 2020.
- b) Operating and capital costs, including maintenance capital, were estimated in 2020 dollars and then escalated as summarized in the Product Price and Market Forecasts section of this report.
- c) Operating costs have been included for active and inactive wells located within active properties and inactive properties.
- d) Economic forecasts were prepared for each property on a before income tax basis. Detailed discounting of future cash flow was performed using a discount factor of 10.0 percent with all values discounted annually to June 30, 2020, on a mid-calendar-year basis.

- e) Royalty holidays applicable to existing wells or forecast drilling are included in individual well economics. These credits are itemized within the property reports.
- f) Gas processing allowances relating to remaining undepreciated capital bases, were included in individual property economic evaluations.
- g) Mineral taxes on freehold interests were included.
- h) Field level overhead charges have been included; recovery of overhead expenses has not been included.
- i) The Company's office G&A costs have not been included.
- j) Provisions for the abandonment and reclamation, to a standard imposed by applicable government or regulatory authorities, of all of the Company's existing wells, future reserves wells and existing facilities and pipelines have been included (this includes all active and inactive entities within active and inactive assets).
- k) The Curtailment Rules adopted by the Province of Alberta and set out in the appendices to the Oil and Gas Conservation Act, Oil Sands Conservation Act and Responsible Energy Development Act have not been incorporated as the Company is exempt.
- l) Carbon taxes associated with greenhouse gas emissions as part of the Canadian Federal Greenhouse Gas Pollution Pricing Act, Alberta Climate Change and Emissions Management Act's Technology Innovation and Emissions Reduction Regulation, British Columbia Carbon Tax Act and Saskatchewan Oil and Gas Emission Management Regulations have been included. Carbon taxes have been included as operating costs based on historical carbon tax payments and forecast carbon tax estimates provided by the Company.

OIL EQUIVALENT OR GAS EQUIVALENT

In this report, quantities of hydrocarbons have been converted to barrels of oil equivalent (boe); or to sales gas equivalent (sge) using factors of 6 Mcf/boe for gas, 1 bbl/boe for all liquids, and 0 boe for sulphur. Users of oil equivalent values are cautioned that while boe based metrics are useful for comparative purposes, they may be misleading when used in isolation.

LIST OF ABBREVIATIONS

AOF	absolute open flow
bbl	barrels
Bcf	billion cubic feet of gas at standard conditions
BIIP	bitumen initially-in-place
boe	barrel of oil equivalent, in this evaluation determined using 6 Mcf/boe for gas, 1 bbl/boe for all liquids, and 0 boe for sulphur
bopd	barrels of oil per day
Btu	British thermal units
bwpd	barrels of water per day
DSU	drilling spacing unit
GCA	gas cost allowance
GIIP	gas initially-in-place
GOC	gas-oil contact
GOR	gas-oil ratio
GORR	gross overriding royalty
GWC	gas-water contact
Mbbl	thousand barrels
Mboe	thousand boe
Mcf	thousand cubic feet of gas at standard conditions
Mcfe	thousand cubic feet of gas equivalent
Mlt	thousand long tons
M\$	thousand dollars
MM\$	million dollars
MMbbl	million barrels
MMboe	million boe
MMBtu	million British thermal units
MMcf	million cubic feet of gas at standard conditions
MRL	maximum rate limitation
Mstb	thousand stock tank barrels
MMstb	million stock tank barrels
NGL	natural gas liquids (ethane, propane, butane and condensate)
NPI	net profits interest
OIIP	oil initially-in-place
ORRI	overriding royalty interest
OWC	oil-water contact
P&NG	petroleum and natural gas
PIIP	petroleum initially-in-place
psia	pounds per square inch absolute
psig	pounds per square inch gauge
PVT	pressure-volume-temperature
RLI	reserves life index, calculated by dividing reserves by the forecast of first year production
scf	standard cubic feet
sge	sales gas equivalent – if presented in this evaluation, determined using 1 barrel of oil or natural gas liquid = 6 Mcfe; 0 for sulphur
stb	stock tank barrel

WI	working interest
WTI	West Texas Intermediate

Table EP-1

Company: Evaluation of Gain Energy Ltd. for i3 Energy Corporate
 Property: Reserve Class: Development Class: Sproutle (2020-06-30)
 Pricing: June 30, 2020
 Effective Date:

Company Annual Other Income (M\$)

Entity Description	Year											Totals			
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Subtotal	Remainder	Total
Summary															
Carrot Creek	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cynthia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Edson GORR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Edson Non-Unit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Edson Unit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Elmworth	291	461	399	432	568	470	415	384	360	326	308	287	4,699	1,605	6,304
Elmworth Sour	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gilby	149	147	113	88	76	59	42	39	36	27	25	23	823	29	852
Kaybob	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Leedale	142	230	212	198	175	158	143	134	126	118	110	101	1,844	727	2,572
Medicine River	190	170	155	140	125	115	100	90	80	75	70	60	1,370	285	1,655
Musktrat	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nipisi	52	95	85	80	70	65	0	0	0	0	0	0	447	0	447
Open Creek	145	285	285	285	285	285	285	285	265	247	229	213	3,094	2,299	5,393
Pembina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rimbey	45	80	60	0	0	0	0	0	0	0	0	0	185	0	185
Simonette GORR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Simonette Minor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Simonette North Gas	13	25	20	20	15	15	15	10	10	10	0	0	153	0	153
Simonette North Oil	380	480	1,201	866	611	493	415	358	315	279	231	210	5,838	1,328	7,166
Simonette South Oil	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sunchild	7	10	5	0	0	0	0	0	0	0	0	0	22	0	22
Sylvan Lake	140	125	115	100	90	80	75	65	60	55	0	0	905	0	905
Wayandie	28	0	0	0	0	0	0	0	0	0	0	0	28	0	28
Wapiti Elmworth	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wapiti South	153	295	277	281	235	203	177	161	146	132	117	107	2,284	846	3,129
Wapiti South GORR	35	58	52	46	41	36	33	30	27	25	22	20	426	124	550
Wilkesden Green	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wilson Creek	190	300	200	125	50	0	0	0	0	0	0	0	865	0	865
CGU 1 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CGU 2 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total: Summary	1,960	2,760	3,178	2,661	2,342	1,979	1,699	1,555	1,425	1,292	1,111	1,020	22,983	7,244	30,226

PRODUCT PRICE AND MARKET FORECASTS
Sproule June 30, 2020

The evaluation was conducted on the basis of the Sproule June 30, 2020 price forecast at the request of the Company and summarized in the attached Tables. While these forecasts are considered reasonable at this time, users of these forecasts should understand the inherent high uncertainty in forecasting any commodity or market. These forecasts will be revised periodically as market, economic and political conditions change. These future revisions may be significant.

Table 1
Sproule Associates Ltd.
Crude Oil and Natural Gas Liquids
Sproule (2020-06-30)
Effective July 1, 2020

Year	Inflation %	CAD/USD Exchange Rate USD/CAD	NYMEX WTI Near Month Futures Contract Crude Oil at Cushing, Oklahoma		Brent Blend Crude Oil FOB North Sea		MSW, Light Crude Oil (40 API, at Edmonton)		Bow River Crude Oil Stream Quality at Hardisty		WCS Crude Oil Stream Quality at Hardisty		Heavy Crude Oil Proxy (12 API at Hardisty)		Light Sour Crude Oil (35 API, 1.2% S) at Cromer		Medium Crude Oil (29 API, 2.0% S) at Cromer		Alberta Natural Gas Liquids (Then Current Dollars)			
			Constant 2020 \$ USD/bbl	Then Current USD/bbl	Then Current USD/bbl	Then Current USD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Then Current CAD/bbl	Spec Ethane CAD/bbl	Edmonton Propane CAD/bbl	Edmonton Butane CAD/bbl	Edmonton C5+ Stream Quality CAD/bbl
2020 Q3-Q4	0.0	0.7200	40.00	40.00	43.00	48.61	26.37	36.81	23.83	48.61	48.61	48.61	48.61	48.61	48.61	48.61	6.54	23.85	25.00	51.39		
2021	1.0	0.7300	44.55	45.00	48.00	54.79	38.74	41.10	35.69	54.79	54.79	54.79	54.79	54.79	54.79	54.79	6.95	23.92	30.82	57.53		
2022	2.0	0.7500	51.45	53.00	55.00	65.33	51.11	52.00	46.75	65.33	65.33	65.33	65.33	65.33	65.33	65.33	7.62	26.65	38.87	66.67		
2023	2.0	0.7500	54.24	57.00	59.00	70.56	55.20	56.96	50.48	70.56	70.56	70.56	70.56	70.56	70.56	70.56	7.78	27.89	44.08	72.00		
2024	2.0	0.7500	54.24	58.14	60.18	71.97	56.30	58.10	51.49	71.97	71.97	71.97	71.97	71.97	71.97	71.97	7.93	28.44	44.96	73.52		
2025	2.0	0.7500	54.24	59.30	61.38	73.41	57.43	59.26	52.52	73.41	73.41	73.41	73.41	73.41	73.41	73.41	8.09	29.01	45.86	75.07		
2026	2.0	0.7500	54.25	60.49	62.61	74.88	58.58	60.45	53.57	74.88	74.88	74.88	74.88	74.88	74.88	74.88	8.25	29.59	46.78	76.65		
2027	2.0	0.7500	54.25	61.70	63.86	76.38	59.75	61.66	54.65	76.38	76.38	76.38	76.38	76.38	76.38	76.38	8.42	30.19	47.71	78.26		
2028	2.0	0.7500	54.24	62.93	65.14	77.90	60.94	62.89	55.74	77.90	77.90	77.90	77.90	77.90	77.90	77.90	8.59	30.79	48.67	79.91		
2029	2.0	0.7500	54.24	64.19	66.44	79.46	62.16	64.15	56.85	79.46	79.46	79.46	79.46	79.46	79.46	79.46	8.76	31.40	49.64	81.59		
2030	2.0	0.7500	54.25	65.48	67.77	81.05	63.40	65.43	57.99	81.05	81.05	81.05	81.05	81.05	81.05	81.05	8.93	32.03	50.63	83.30		
2031	2.0	0.7500	54.25	66.79	69.13	82.67	64.67	66.74	59.15	82.67	82.67	82.67	82.67	82.67	82.67	82.67	9.11	32.67	51.64	84.97		
2032	2.0	0.7500	54.25	68.13	70.51	84.32	65.96	68.07	60.33	84.32	84.32	84.32	84.32	84.32	84.32	84.32	9.29	33.32	52.68	86.67		
2033	2.0	0.7500	54.25	69.49	71.92	86.01	67.28	69.43	61.54	86.01	86.01	86.01	86.01	86.01	86.01	86.01	9.48	33.99	53.73	88.40		
2034	2.0	0.7500	54.25	70.88	73.36	87.73	68.63	70.82	62.77	87.73	87.73	87.73	87.73	87.73	87.73	87.73	9.67	34.67	54.80	90.17		
2035	2.0	0.7500	54.25	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

Historical futures contract price is an average of the daily settlement price of the near month contract over the calendar month.

Table 2
Sproule Associates Ltd.
Natural Gas and Sulphur
Sproule (2020-06-30)
Effective July 1, 2020

Year	NYMEX Henry Hub Near-Month Contract				Midwest Price at Chicago				AECO/NIT Spot				Dawn Price at Ontario				Alberta Plant Gate				Saskatchewan Plant Gate				British Columbia				
	Constant 2020 \$		Then Current		Then Current		Then Current		Then Current		Then Current		Then Current		Then Current		Then Current		Then Current		Then Current		Then Current		Then Current		Then Current		
	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	USD/MMBtu	
2020 Q3-Q4	2.25	2.25	2.14	2.14	2.36	2.36	2.18	2.18	2.12	2.12	2.12	2.12	2.16	2.16	2.26	2.26	2.53	2.53	1.99	1.99	2.26	2.26	2.26	2.26	2.26	2.26	2.26	2.26	1.99
2021	2.72	2.75	2.64	2.64	2.51	2.51	2.68	2.68	2.25	2.27	2.25	2.27	2.31	2.31	2.41	2.41	3.16	3.16	2.50	2.50	2.41	2.41	2.41	2.41	2.41	2.41	2.41	2.50	2.14
2022	2.91	3.00	2.88	2.88	2.75	2.75	2.92	2.92	2.43	2.51	2.43	2.51	2.55	2.55	2.65	2.65	3.38	3.38	2.77	2.77	2.65	2.65	2.65	2.65	2.65	2.65	2.77	2.38	
2023	2.91	3.06	2.94	2.94	2.81	2.81	2.98	2.98	2.44	2.57	2.44	2.57	2.61	2.61	2.71	2.71	3.44	3.44	2.82	2.82	2.70	2.70	2.70	2.70	2.70	2.70	2.82	2.43	
2024	2.91	3.12	3.00	3.00	2.86	2.86	3.04	3.04	2.44	2.62	2.44	2.62	2.66	2.66	2.76	2.76	3.51	3.51	2.88	2.88	2.75	2.75	2.75	2.75	2.75	2.75	2.88	2.48	
2025	2.91	3.18	3.06	3.06	2.92	2.92	3.10	3.10	2.45	2.68	2.45	2.68	2.72	2.72	2.82	2.82	3.58	3.58	2.94	2.94	2.81	2.81	2.81	2.81	2.81	2.81	2.94	2.54	
2026	2.91	3.25	3.12	3.12	2.98	2.98	3.16	3.16	2.45	2.73	2.45	2.73	2.78	2.78	2.88	2.88	3.65	3.65	2.99	2.99	2.87	2.87	2.87	2.87	2.87	2.87	2.99	2.60	
2027	2.91	3.31	3.18	3.18	3.04	3.04	3.23	3.23	2.46	2.79	2.46	2.79	2.84	2.84	2.94	2.94	3.73	3.73	3.05	3.05	2.92	2.92	2.92	2.92	2.92	2.92	3.05	2.65	
2028	2.91	3.38	3.25	3.25	3.10	3.10	3.29	3.29	2.46	2.85	2.46	2.85	2.90	2.90	3.00	3.00	3.80	3.80	3.11	3.11	2.98	2.98	2.98	2.98	2.98	2.98	3.11	2.71	
2029	2.92	3.45	3.31	3.31	3.16	3.16	3.36	3.36	2.46	2.91	2.46	2.91	2.96	2.96	3.06	3.06	3.88	3.88	3.18	3.18	3.04	3.04	3.04	3.04	3.04	3.04	3.18	2.76	
2030	2.91	3.51	3.38	3.38	3.22	3.22	3.42	3.42	2.46	2.97	2.46	2.97	3.02	3.02	3.12	3.12	3.96	3.96	3.24	3.24	3.10	3.10	3.10	3.10	3.10	3.10	3.24	2.82	
2031	2.91	3.58	3.45	3.45	3.28	3.28	3.49	3.49	2.46	3.03	2.46	3.03	3.08	3.08	3.18	3.18	4.04	4.04	3.30	3.30	3.16	3.16	3.16	3.16	3.16	3.16	3.30	2.88	
2032	2.91	3.65	3.52	3.52	3.35	3.35	3.56	3.56	2.46	3.09	2.46	3.09	3.14	3.14	3.25	3.25	4.12	4.12	3.37	3.37	3.23	3.23	3.23	3.23	3.23	3.23	3.37	2.94	
2033	2.91	3.72	3.59	3.59	3.42	3.42	3.63	3.63	2.46	3.15	2.46	3.15	3.20	3.20	3.31	3.31	4.20	4.20	3.44	3.44	3.29	3.29	3.29	3.29	3.29	3.29	3.44	3.00	
2034	2.91	3.80	3.66	3.66	3.49	3.49	3.70	3.70	2.46	3.22	2.46	3.22	3.27	3.27	3.38	3.38	4.29	4.29	3.51	3.51	3.36	3.36	3.36	3.36	3.36	3.36	3.51	3.06	
2035	2.91	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	2.46	+2.0%/yr	2.46	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

Unless otherwise stated, the gas price reference point is the receipt point on the applicable provincial gas transmission system known as the plant gate. The plant gate price represents the price before raw gathering and processing charges are deducted.

Table 3
Sproule Associates Ltd.
International
Sproule (2020-06-30)
Effective July 1, 2020

Year	Inflation %	CADUSD Exchange Rate		GBPUUSD Exchange Rate		EURUSD Exchange Rate		NYMEX WTI Near Month Futures Contract Crude Oil at Cushing, Oklahoma		Light Louisiana Sweet Crude Oil		Maya Crude Oil		Brent Blend Crude Oil FOB North Sea		NYMEX Henry Hub Near-Month Contract		National Balancing Point (UK)		
		USD/CAD	USD/GBP	USD/EUR	USD/GBP	USD/EUR	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current
2020 Q3-Q4	0.0	0.7200	1.2500	1.1250	1.2500	1.1250	40.00	55.56	40.50	56.25	36.00	50.00	43.00	59.72	2.25	3.13	2.50	3.47		
2021	1.0	0.7300	1.2500	1.1300	1.2500	1.1300	45.00	61.64	46.47	63.66	40.86	55.97	48.00	65.75	2.75	3.77	4.69	6.42		
2022	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	53.00	70.67	53.44	71.25	47.72	63.63	55.00	73.33	3.00	4.00	5.63	7.51		
2023	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	57.00	76.00	57.41	76.55	51.57	68.76	59.00	78.67	3.06	4.08	5.74	7.65		
2024	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	58.14	77.52	58.56	78.08	52.60	70.13	60.18	80.24	3.12	4.16	5.85	7.80		
2025	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	59.30	79.07	59.73	79.64	53.66	71.55	61.38	81.84	3.18	4.24	5.97	7.96		
2026	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	60.49	80.65	60.92	81.23	54.73	72.97	62.61	83.48	3.25	4.33	6.09	8.12		
2027	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	61.70	82.27	62.14	82.85	55.82	74.43	63.86	85.15	3.31	4.41	6.21	8.28		
2028	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	62.93	83.91	63.38	84.51	56.94	75.92	65.14	86.85	3.38	4.51	6.33	8.44		
2029	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	64.19	85.59	64.65	86.20	58.08	77.44	66.44	88.59	3.45	4.60	6.46	8.61		
2030	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	65.48	87.31	65.94	87.92	59.24	78.99	67.77	90.36	3.51	4.68	6.59	8.79		
2031	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	66.79	89.05	67.26	89.68	60.42	80.57	69.13	92.17	3.58	4.77	6.72	8.96		
2032	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	68.13	90.83	68.60	91.47	61.63	82.18	70.51	94.01	3.65	4.87	6.86	9.14		
2033	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	69.49	92.65	69.98	93.30	62.87	83.82	71.92	95.89	3.72	4.97	6.99	9.32		
2034	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	70.88	94.50	71.38	95.17	64.12	85.50	73.36	97.81	3.80	5.07	7.13	9.51		
2035	2.0	0.7500	1.2500	1.1500	1.2500	1.1500	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

Historical futures contract price is an average of the daily settlement price of the near month contract over the calendar month.

Table 4
Sproule Associates Ltd.
US Liquids and Natural Gas
Sproule (2020-06-30)
Effective July 1, 2020

Year	US Natural Gas Liquids (Then Current Dollars)										
	Conway					Mont Belvieu					US Natural Gas (Then Current Dollars)
	80%-20% E/P Mix USD/bbl	Propane USD/bbl	Butane USD/bbl	Condensate USD/bbl	Ethane USD/bbl	Propane USD/bbl	Butane USD/bbl	Condensate USD/bbl	Rockies Natural Gas USD/MMBtu	Algonquin City-Gates Natural Gas USD/MMBtu	
2020 Q3-Q4	4.50	21.37	22.00	36.00	7.54	22.00	22.80	36.80	1.95	2.70	
2021	5.50	21.66	25.20	40.50	10.31	22.50	26.10	41.40	2.44	3.00	
2022	6.00	25.24	30.21	47.70	11.25	26.50	31.27	48.76	2.69	3.25	
2023	6.12	27.21	33.06	51.30	11.47	28.50	34.20	52.44	2.74	3.31	
2024	6.24	27.76	33.72	52.33	11.70	29.07	34.88	53.49	2.80	3.37	
2025	6.36	28.31	34.40	53.37	11.93	29.65	35.58	54.56	2.85	3.43	
2026	6.50	28.88	35.08	54.44	12.19	30.24	36.29	55.65	2.91	3.50	
2027	6.62	29.46	35.79	55.53	12.41	30.85	37.02	56.76	2.97	3.56	
2028	6.76	30.05	36.50	56.64	12.68	31.47	37.76	57.90	3.03	3.63	
2029	6.90	30.65	37.23	57.77	12.94	32.10	38.51	59.05	3.09	3.70	
2030	7.02	31.26	37.98	58.93	13.16	32.74	39.29	60.24	3.15	3.76	
2031	7.16	31.89	38.74	60.11	13.43	33.39	40.08	61.45	3.21	3.84	
2032	7.30	32.52	39.51	61.31	13.69	34.06	40.88	62.68	3.28	3.91	
2033	7.45	33.17	40.30	62.54	13.97	34.74	41.69	63.93	3.34	3.99	
2034	7.60	33.84	41.11	63.79	14.25	35.44	42.53	65.21	3.41	4.07	
2035	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

Butane prices at Conway and Mont Belvieu represent a blended price of two thirds normal butane and one third iso-butane.

AFTER TAX ANALYSIS**TABLE OF CONTENTS**

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AFTER TAX ANALYSIS

Canadian income taxes were calculated based on currently legislated federal and provincial tax rates, tax regulations and tax pool information provided by the Company. After tax values for reserves development status or production status subcategories (i.e. developed, undeveloped, producing, non-producing) are calculated by difference.

Current Capital

Following the Federal Accelerated Investment Incentive changes, capital is written off at the following depreciation rates in the initial year of investment between November 20, 2018 and December 31, 2027. All remaining capital balances at the end of the initial year of investment are then added to their corresponding tax pools:

<u>Capital Classification</u>	<u>2020-2023</u>	<u>2024-2027</u>	<u>2028</u>
Canadian Oil and Gas Property Expense (COGPE)	15%	12.5%	10%
Canadian Development Expense (CDE)	45%	37.5%	30%
Capital Cost Allowance: (CCA)			
Class 41	37.5%	25%	12.5%

Tax Pools

The following tax pools as of the effective date were included in the income tax calculations:

<u>Tax Pool Classification</u>	<u>Write-Off Rate (%)</u>	<u>Tax Pool (M\$)</u>
Canadian Oil and Gas Property Expense (COGPE)	10	41,208
Canadian Exploration Expense (CEE)	100	2,522
Non-Capital Losses	100	69,832
Canadian Development Expense (CDE)	30	4,809
Capital Cost Allowance: (CCA)		
Class 41	25	8,169
Cumulative Eligible Capital (CEC)	7	685

Tax Rates

Federal income tax calculations incorporate income tax rates as follows:

<u>Year</u>	<u>Federal Income Tax Rate</u>
2020+	15.0%

Allocation of revenues to Canadian provinces for income tax purposes depends on several factors in addition to the provincial origin of the resources revenues. The average future annual provincial tax rate has been calculated based on an allocation of provincial resources revenues and their respective tax rate as follows:

<u>Year</u>	<u>Alberta Tax Rate</u>	<u>Alberta Allocation</u>	<u>B.C. Tax Rate</u>	<u>B.C. Allocation</u>	<u>Sask. Tax Rate</u>	<u>Sask. Allocation</u>	<u>Man. Tax Rate</u>	<u>Man. Allocation</u>	<u>Avg. Ann. Tax Rate</u>
2020	10.00%	98.22%	12.00%	1.78%	12.00%	0%	12.00%	0%	10.03%
2021	9.00%	98.22%	12.00%	1.78%	12.00%	0%	12.00%	0%	9.05%
2022+	8.00%	98.22%	12.00%	1.78%	12.00%	0%	12.00%	0%	8.07%

Company total after tax economic forecasts for all reserves categories are attached.

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: After Tax Analysis (Summary)

Reserve Class: Various
 Development Class: Classifications
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Summary of Reserves and Values

	Proved Producing	Proved Developed Non- Producing	Proved Undeveloped	Total Proved	Total Probable	Proved Plus Probable Producing	Total Proved Plus Probable
MARKETABLE RESERVES							
Light & Medium Oil (Mbbbl)							
Total Company Interest	1,892	54	706	2,651	2,425	2,584	5,077
Working Interest	1,865	54	705	2,624	2,415	2,547	5,039
Net After Royalty	1,721	47	632	2,400	2,099	2,317	4,499
Tight Oil (Mbbbl)							
Total Company Interest	126	68	954	1,148	1,916	193	3,064
Working Interest	123	66	893	1,082	1,800	188	2,882
Net After Royalty	119	65	900	1,085	1,741	173	2,825
Total Oil (Mbbbl)							
Total Company Interest	2,020	143	1,659	3,822	4,343	2,780	8,165
Working Interest	1,990	141	1,598	3,729	4,217	2,737	7,946
Net After Royalty	1,843	131	1,532	3,506	3,841	2,493	7,348
Solution Gas (MMcf)							
Total Company Interest	7,326	234	2,525	10,085	9,393	10,225	19,478
Working Interest	7,214	234	2,525	9,973	9,350	10,070	19,323
Net After Royalty	6,633	206	2,381	9,220	8,528	9,260	17,748
Residue Gas (MMcf)							
Total Company Interest	60,281	8,820	39,537	108,637	55,421	76,774	164,058
Working Interest	58,708	8,767	39,537	107,012	54,864	74,665	161,876
Net After Royalty	55,950	8,126	37,227	101,303	51,559	71,364	152,862
Shale Gas (MMcf)							
Total Company Interest	864	237	3,270	4,371	6,664	1,350	11,035
Working Interest	821	232	3,178	4,232	6,470	1,287	10,702
Net After Royalty	822	224	3,107	4,153	6,301	1,271	10,454
Total Sales Gas (MMcf)							
Total Company Interest	68,479	9,294	45,333	123,106	71,479	88,359	194,585
Working Interest	66,753	9,237	45,241	121,230	70,685	86,032	191,915
Net After Royalty	63,413	8,560	42,715	114,688	66,388	81,902	181,076
Natural Gas Liquids (Mbbbl)							
Total Company Interest	4,966	274	3,055	8,296	4,882	6,428	13,178
Working Interest	4,859	269	3,052	8,180	4,842	6,289	13,021
Net After Royalty	4,175	224	2,781	7,180	4,244	5,456	11,424
Oil Equivalent (Mboe)							
Total Company Interest	18,400	1,966	12,270	32,636	21,138	23,934	53,774
Working Interest	17,975	1,949	12,190	32,114	20,839	23,365	52,953
Net After Royalty	16,587	1,782	11,433	29,801	19,150	21,599	48,951
BEFORE TAX PRESENT VALUE (M\$)							
0%	67,079	9,948	98,552	175,578	295,599	128,217	471,177
5%	81,488	8,670	64,324	154,482	184,205	122,904	338,686
8%	79,281	7,900	49,712	136,893	142,514	112,256	279,407
10%	76,856	7,416	41,811	126,083	121,574	105,525	247,657
12%	74,203	6,962	35,093	116,258	104,643	99,375	220,901
15%	70,201	6,339	26,803	103,343	84,827	91,268	188,170
20%	64,035	5,448	16,534	86,017	61,844	80,324	147,861

Summary of Reserves and Values

	Proved Producing	Proved Developed Non- Producing	Proved Undeveloped	Total Proved	Total Probable	Proved Plus Probable Producing	Total Proved Plus Probable
AFTER TAX PRESENT VALUE (M\$)							
0%	67,079	8,837	78,098	154,014	229,073	119,326	383,087
5%	81,488	7,943	49,192	138,623	141,393	117,157	280,017
8%	79,281	7,331	36,913	123,525	108,392	107,758	231,917
10%	76,856	6,931	30,307	114,093	91,866	101,682	205,959
12%	74,203	6,547	24,715	105,465	78,547	96,076	184,012
15%	70,201	6,008	17,855	94,065	63,033	88,623	157,098
20%	64,035	5,219	9,438	78,692	45,185	78,457	123,877

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

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Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: After Tax Analysis (Summary)

Reserve Class: Proved
 Development Class: Producing
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl
2020	103	194	1,054	192	178	43.32	158	29	27	41.64	1,221	223	207	43.05
2021	66	136	789	288	264	49.41	92	34	32	47.64	882	322	296	49.22
2022	65	136	632	231	208	59.73	58	21	20	58.04	689	252	228	59.59
2023	64	132	528	193	172	64.75	41	15	14	63.12	568	207	187	64.63
2024	60	125	450	164	149	65.97	31	11	11	64.38	481	176	159	65.87
2025	53	118	352	128	117	67.14	25	9	8	65.67	377	137	125	67.04
2026	48	115	290	106	97	68.78	20	7	7	66.98	310	113	104	68.66
2027	44	114	246	90	81	70.14	0	0	0	0.00	246	90	81	70.14
2028	39	109	210	77	70	71.41	0	0	0	0.00	210	77	70	71.41
2029	34	103	183	67	61	72.71	0	0	0	0.00	183	67	61	72.71
2030	31	92	163	59	55	74.18	0	0	0	0.00	163	59	55	74.18
2031	29	85	142	52	48	75.57	0	0	0	0.00	142	52	48	75.57
Sub.				1,647	1,500	61.03		126	119	53.77		1,775	1,622	60.49
Rem.				245	221	88.42		0	0	0.00		245	221	88.42
Tot.				1,892	1,721	64.58		126	119	53.77		2,020	1,843	63.88

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf
2020	4,513	824	738	2.03	25,250	4,608	4,237	2.23	1,076	196	186	2.14
2021	3,409	1,244	1,115	2.21	19,934	7,276	6,683	2.39	601	219	209	2.36
2022	2,717	992	890	2.48	17,563	6,410	5,890	2.63	387	141	134	2.61
2023	2,204	804	722	2.54	15,437	5,635	5,183	2.69	280	102	97	2.66
2024	1,774	647	583	2.60	13,523	4,936	4,543	2.74	217	79	75	2.71
2025	1,448	529	476	2.64	11,785	4,301	3,966	2.80	175	64	61	2.77
2026	1,191	435	391	2.69	10,552	3,852	3,555	2.85	146	53	51	2.82
2027	959	350	321	2.75	9,566	3,491	3,284	2.91	6	2	2	2.81
2028	767	280	259	2.81	8,510	3,106	2,924	2.97	3	1	1	2.87
2029	633	231	215	2.87	7,517	2,744	2,585	3.03	2	1	1	2.92
2030	560	205	190	2.92	6,500	2,373	2,236	3.09	2	1	1	2.98
2031	485	177	164	2.97	5,751	2,099	1,979	3.15	2	1	1	3.04
Sub.		6,717	6,066	2.49		50,831	47,066	2.71		861	819	2.48
Rem.		608	567	3.30		9,450	8,885	3.47		3	3	3.24
Tot.		7,326	6,633	2.55		60,281	55,950	2.83		864	822	2.48

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl
2020	30,886	5,637	5,169	2.20	269	49	39	48.54	229	42	30	45.60
2021	23,944	8,739	8,007	2.36	215	79	61	55.06	169	62	43	51.85
2022	20,667	7,543	6,914	2.61	187	68	51	64.14	140	51	35	61.04
2023	17,922	6,541	6,002	2.67	163	60	44	69.41	119	43	29	66.36
2024	15,514	5,663	5,202	2.72	141	52	39	70.92	102	37	24	67.82
2025	13,408	4,894	4,503	2.78	122	45	34	72.45	87	32	21	69.32
2026	11,889	4,340	3,997	2.84	108	39	30	73.99	76	28	18	70.79
2027	10,531	3,844	3,607	2.90	96	35	32	75.56	65	24	21	72.65
2028	9,279	3,387	3,184	2.96	85	31	28	77.15	57	21	19	74.17
2029	8,153	2,976	2,801	3.02	73	27	25	78.87	51	19	17	75.67
2030	7,063	2,578	2,427	3.08	62	23	21	80.70	45	16	15	77.15
2031	6,237	2,277	2,144	3.13	55	20	18	82.34	39	14	13	78.81
Sub.		58,418	53,958	2.68		527	422	67.71		388	284	63.97
Rem.		10,061	9,455	3.46		89	82	91.47		66	60	86.51
Tot.		68,479	63,413	2.80		616	504	71.16		454	344	67.25

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	381	70	51	19.12	624	114	82	18.82	758	138	129	5.71
2021	294	107	79	25.39	485	177	128	19.27	606	221	206	6.13
2022	254	93	67	33.69	420	153	110	22.40	527	192	179	6.79
2023	220	80	58	39.15	364	133	95	23.58	458	167	156	6.94
2024	190	69	50	40.23	314	114	82	24.06	394	144	135	7.09
2025	162	59	43	41.18	268	98	70	24.63	338	123	116	7.23
2026	143	52	38	41.99	235	86	62	25.12	297	108	102	7.38
2027	126	46	42	42.83	208	76	68	25.65	263	96	90	7.55
2028	111	40	37	43.76	181	66	59	26.21	228	83	78	7.74
2029	96	35	32	44.61	157	57	51	26.70	196	72	68	7.91
2030	82	30	28	45.53	134	49	44	27.20	166	61	57	8.08
2031	72	26	24	46.44	117	43	39	27.75	146	53	50	8.22
Sub.		708	551	36.18		1,166	891	23.30		1,460	1,366	6.98
Rem.		120	111	51.18		196	175	30.93		247	233	9.23
Tot.		828	662	38.36		1,361	1,065	24.39		1,707	1,599	7.30

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	2,261	413	332	20.74	3,483	636	539	28.56	8,631	1,575	1,400	19.39
2021	1,769	646	515	23.25	2,651	967	812	31.89	6,641	2,424	2,146	21.25
2022	1,529	558	442	27.55	2,218	810	671	37.50	5,663	2,067	1,823	24.23
2023	1,324	483	382	29.90	1,892	691	569	40.34	4,879	1,781	1,569	25.46
2024	1,141	417	330	30.59	1,622	592	490	41.05	4,208	1,536	1,357	25.85
2025	977	357	284	31.28	1,354	494	409	41.23	3,588	1,310	1,159	25.94
2026	858	313	249	31.96	1,169	427	353	41.71	3,150	1,150	1,019	26.18
2027	758	277	254	32.56	1,004	366	335	41.77	2,759	1,007	936	26.25
2028	661	241	222	33.46	872	318	292	42.62	2,418	883	823	26.71
2029	573	209	193	34.28	756	276	254	43.56	2,115	772	721	27.20
2030	490	179	165	35.18	653	238	220	44.92	1,830	668	624	27.90
2031	428	156	145	35.86	571	208	192	45.76	1,610	588	550	28.36
Sub.		4,248	3,514	29.06		6,023	5,135	38.32		15,759	14,129	24.59
Rem.		718	661	39.50		963	882	51.94		2,640	2,458	32.14
Tot.		4,966	4,175	30.57		6,986	6,018	40.20		18,400	16,587	25.67

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens															
	Working Interest				Royalty Interest	Company Interest	Royalty Interest Process.	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process.	Net Revenue After Royalty	Operating Expenses		
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$	Total M\$	Total M\$	Expense M\$	Crown M\$	Other M\$	Crown M\$	Other M\$	Process. M\$	Royalty M\$	Fixed M\$	Variable M\$	Total M\$
2020	9,414	11,928	8,322	29,664	871	30,535	298	3,712	373	1,283	67	2,735	27,502	9,479	8,030	17,508
2021	15,548	20,017	14,643	50,207	1,292	51,499	361	6,610	630	2,009	103	5,128	46,010	12,822	12,526	25,349
2022	14,734	19,141	15,012	48,887	1,195	50,082	302	6,899	616	1,716	90	5,708	44,071	12,395	10,794	23,190
2023	13,201	16,986	14,114	44,300	1,033	45,333	261	6,477	546	1,494	76	5,452	39,620	12,294	9,496	21,790
2024	11,392	15,023	12,474	38,889	816	39,704	193	5,564	455	1,271	67	4,681	34,830	11,918	8,420	20,337
2025	9,078	13,295	10,934	33,308	665	33,972	147	4,724	392	1,113	56	3,948	29,877	10,883	7,121	18,004
2026	7,667	12,039	9,814	29,520	586	30,106	133	4,136	356	1,000	51	3,441	26,533	10,400	6,378	16,779
2027	6,214	10,890	8,826	25,929	509	26,439	122	1,863	309	402	46	1,725	24,592	9,610	5,718	15,328
2028	5,409	9,817	7,924	23,150	423	23,573	103	1,612	233	349	38	1,458	22,012	9,147	5,150	14,297
2029	4,783	8,797	7,037	20,617	377	20,994	94	1,387	203	306	35	1,250	19,650	8,659	4,615	13,273
2030	4,366	7,775	6,167	18,307	323	18,631	84	1,218	183	268	32	1,101	17,446	7,945	4,117	12,062
2031	3,893	7,006	5,510	16,409	261	16,670	72	1,071	166	238	27	972	15,626	7,572	3,700	11,272
Sub.	105,697	152,713	120,777	379,187	8,351	387,538	2,169	45,275	4,463	11,448	689	37,600	347,769	123,124	86,065	209,189
Rem.	21,385	34,269	27,988	83,643	1,213	84,856	362	5,983	1,061	1,211	183	5,650	78,844	42,684	18,103	60,787
Tot.	127,082	186,982	148,766	462,829	9,564	472,394	2,531	51,258	5,523	12,660	872	43,250	426,613	165,808	104,168	269,976
Disc	78,368	111,024	87,101	276,493	6,206	282,699	1,655	33,671	3,297	8,703	515	27,749	253,294	89,219	63,400	152,619

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	9	0	-12	9,997	1,848	1,782	10,063	60	34	45	139	9,924	9,924	9,690
2021	18	0	-23	20,667	2,454	1,800	21,321	0	0	0	0	21,321	31,245	29,073
2022	25	0	-24	20,880	2,039	1,836	21,083	0	0	0	0	21,083	52,328	46,497
2023	23	0	-22	17,829	1,670	1,873	17,626	0	0	0	0	17,626	69,954	59,740
2024	18	0	-20	14,494	1,363	1,910	13,947	0	0	0	0	13,947	83,901	69,265
2025	16	0	-18	11,875	1,112	14,010	-1,024	0	0	0	0	-1,024	82,877	68,630
2026	14	0	-17	9,757	1,012	4,304	6,466	0	0	0	0	6,466	89,343	72,280
2027	12	0	-19	9,272	918	2,979	7,211	0	0	0	0	7,211	96,554	75,980
2028	11	0	-18	7,721	812	3,589	4,944	0	0	0	0	4,944	101,498	78,286
2029	10	0	-16	6,383	713	4,159	2,937	0	0	0	0	2,937	104,434	79,532
2030	9	0	-15	5,390	561	3,680	2,271	0	0	0	0	2,271	106,705	80,407
2031	8	0	-14	4,360	506	4,202	664	0	0	0	0	664	107,369	80,640
Sub.	172	0	-217	138,625	15,006	46,123	107,508	60	34	45	139	107,369	107,369	80,640
Rem.	51	0	-120	18,126	3,161	61,577	-40,290	0	0	0	0	-40,290	67,079	76,856
Tot.	223	0	-337	156,751	18,167	107,700	67,218	60	34	45	139	67,079	67,079	76,856
Disc	124	0	-161	100,712	11,396	35,117	76,991	59	33	44	136	76,856	76,856	76,856

AFTER TAX ANALYSIS

Year	Oper. Income M\$	Tax Pool Balances Incl. Current Year Additions					Depreciation & Writeoffs					Total M\$
		CCA M\$	COGPE M\$	CDE M\$	CEE M\$	Other M\$	CCA M\$	COGPE M\$	CDE M\$	CEE M\$	Other M\$	
2020	10,063	8,960	41,208	4,869	2,522	69,832	2,127	4,121	1,470	0	2,347	10,064
2021	21,321	6,833	37,087	3,399	2,522	67,485	1,594	3,709	1,020	0	14,999	21,321
2022	21,083	5,240	33,378	2,380	2,522	52,486	1,203	3,338	714	0	15,829	21,084
2023	17,626	4,036	30,041	1,666	2,522	36,658	910	3,004	500	0	13,213	17,627
2024	13,947	3,127	27,037	1,166	2,522	23,445	689	2,704	350	0	10,204	13,947
2025	-1,024	2,437	24,333	816	2,522	13,241	524	2,433	245	0	0	3,202
2026	6,466	1,914	21,900	571	2,522	13,241	399	2,190	171	0	3,706	6,466
2027	7,211	1,515	19,710	400	2,522	9,535	305	1,971	120	0	4,815	7,211
2028	4,944	1,210	17,739	280	2,522	4,719	234	1,774	84	0	2,853	4,944
2029	2,937	977	15,965	196	2,522	1,867	180	1,596	59	0	1,101	2,937
2030	2,271	797	14,368	137	2,522	766	140	1,437	41	0	653	2,271
2031	664	657	12,932	96	2,522	112	109	1,293	29	0	0	1,431
Sub.	107,508	657	12,932	96	2,522	112	8,412	29,570	4,802	0	69,720	112,503
Rem.	-40,290	657	12,932	96	2,522	112	530	11,637	67	0	28	12,263
Tot.	67,218	657	12,932	96	2,522	112	8,942	41,207	4,869	0	69,748	124,765
Disc	76,991						6,765	22,567	3,985	0	52,518	85,835

AFTER TAX ANALYSIS

Year	Taxable Income M\$	Federal		Provincial		Income Tax Payable M\$	ARTD & Investment Credits	Net Cash Flow Before Income Tax			Net Cash Flow After Income Tax		
		Tax Rate %	Income Tax M\$	Tax Rate %	Income Tax M\$			Annual M\$	Cum. M\$	10.0% Dcf M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	15.0	0	10.0	0	0	0	9,924	9,924	9,690	9,924	9,924	9,690
2021	0	15.0	0	9.0	0	0	0	21,321	31,245	29,073	21,321	31,245	29,073
2022	0	15.0	0	8.1	0	0	0	21,083	52,328	46,497	21,083	52,328	46,497
2023	0	15.0	0	8.1	0	0	0	17,626	69,954	59,740	17,626	69,954	59,740
2024	0	15.0	0	8.1	0	0	0	13,947	83,901	69,265	13,947	83,901	69,265
2025	-4,225	15.0	0	8.1	0	0	0	-1,024	82,877	68,630	-1,024	82,877	68,630
2026	0	15.0	0	8.1	0	0	0	6,466	89,343	72,280	6,466	89,343	72,280
2027	0	15.0	0	8.1	0	0	0	7,211	96,554	75,980	7,211	96,554	75,980
2028	0	15.0	0	8.1	0	0	0	4,944	101,498	78,286	4,944	101,498	78,286
2029	0	15.0	0	8.1	0	0	0	2,937	104,434	79,532	2,937	104,434	79,532
2030	0	15.0	0	8.1	0	0	0	2,271	106,705	80,407	2,271	106,705	80,407
2031	-767	15.0	0	8.1	0	0	0	664	107,369	80,640	664	107,369	80,640
Sub.	-4,992							107,369	107,369	80,640	107,369	107,369	80,640
Rem.	-52,552							-40,290	67,079	76,856	-40,290	67,079	76,856
Tot.	-57,545		0		0	0	0	67,079	67,079	76,856	67,079	67,079	76,856
Disc	-8,841							76,856	76,856	76,856	76,856	76,856	76,856

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	1,865	27	1,892	1,721	1.000	1,892	10	40.5	4.9	4.3
Tight Oil	Mbbl	123	3	126	119	1.000	126	1	6.5	2.2	2.0
Total: Total Oil	Mbbl	1,988	30	2,018	1,840	1.000	2,018	11	40.5	4.6	4.0
Solution Gas	MMcf	7,214	111	7,326	6,633	6.000	1,221	7	40.5	4.4	3.7
Residue Gas	MMcf	58,708	1,572	60,281	55,950	6.000	10,047	55	40.5	6.5	5.3
Shale Gas	MMcf	821	42	864	822	6.000	144	1	17.5	2.2	2.1
Total: Gas	MMcf	66,744	1,726	68,470	63,405	6.000	11,412	62	40.5	6.1	5.0
Gas Heat Content	BBtu	71,605	1,832	73,437	67,972	0.000	0	0	40.5	6.1	5.0
Condensate	Mbbl	442	12	454	344	1.000	454	2	40.5	5.4	4.8
Field Condensate (NGL)	Mbbl	608	8	616	504	1.000	616	3	40.5	6.3	5.0
Butane	Mbbl	805	23	828	662	1.000	828	5	40.5	6.0	4.9
Propane	Mbbl	1,338	23	1,361	1,065	1.000	1,361	7	40.5	6.0	4.9
Ethane	Mbbl	1,667	40	1,707	1,599	1.000	1,707	9	40.5	6.2	4.9
Total: NGL	Mbbl	4,859	107	4,966	4,175	1.000	4,966	27	40.5	6.0	4.9
Total: Oil+NGL	Mbbl	6,849	137	6,986	6,018	1.000	6,986	38	40.5	5.5	4.7
Total: Oil Eq.	Mboe	17,975	425	18,400	16,587	1.000	18,400	100	40.5	5.8	4.9

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	48.61	-5.29	43.32	3.32	28.79	0.02	11.19	110,794	26	67,351	27
Tight Oil	\$/bbl	48.61	-6.97	41.64	1.93	9.90	0.00	29.80	6,406	2	5,195	2
Total: Total Oil	\$/bbl	48.61	-5.51	43.10	3.14	26.36	0.02	13.58	117,200	27	72,546	29
Solution Gas	\$/Mcf	2.12	-0.10	2.03	0.08	1.14	0.01	0.80	17,667	4	11,687	5
Residue Gas	\$/Mcf	2.12	0.10	2.23	0.05	2.14	0.00	0.04	164,788	39	96,768	38
Shale Gas	\$/Mcf	2.12	0.01	2.14	0.09	1.59	0.00	0.46	2,043	0	1,658	1
Total: Gas	\$/Mcf	2.12	0.07	2.20	0.06	1.98	0.00	0.16	184,498	43	110,113	43
Condensate	\$/bbl	51.39	-5.79	45.60	13.30	0.00	0.00	32.30	24,033	6	13,493	5
Field Condensate (NGL)	\$/bbl	51.43	-2.89	48.54	9.70	6.23	0.00	32.60	36,292	9	20,545	8
Butane	\$/bbl	25.00	-5.88	19.12	5.49	0.00	0.00	13.64	26,099	6	14,283	6
Propane	\$/bbl	23.85	-5.03	18.82	5.43	0.00	0.00	13.39	26,168	6	14,883	6
Ethane	\$/bbl	6.54	-0.83	5.71	-0.09	0.00	0.00	5.80	12,282	3	7,360	3
Total: NGL	\$/bbl	24.33	-3.59	20.74	4.90	0.74	0.00	15.10	124,873	29	70,564	28
Total: Oil+NGL	\$/bbl	32.84	-4.28	28.56	4.27	9.93	0.01	14.36	242,155	57	143,186	57
Total: Oil Eq.	\$/boe	20.61	-1.23	19.39	1.92	10.92	0.01	6.54	426,679	100	253,324	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax						Net Present Value After Income Tax					
	Initial	Average	Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		Operating Income M\$	Capital Invest. M\$	Cash Flow	
							M\$	\$/boe			M\$	\$/boe
Crown Royalty	12.5133	11.0749	0	156,751	67,218	139	67,079	3.65	67,218	139	67,079	3.65
Non-crown Royalty	1.2589	1.1934	5	122,406	81,626	137	81,488	4.43	81,626	137	81,488	4.43
Mineral Tax	0.0309	0.0482	8	108,356	79,417	136	79,281	4.31	79,417	136	79,281	4.31
			10	100,712	76,991	136	76,856	4.18	76,991	136	76,856	4.18
			12	94,117	74,338	135	74,203	4.03	74,338	135	74,203	4.03
			15	85,767	70,335	134	70,201	3.82	70,335	134	70,201	3.82
			20	74,866	64,168	133	64,035	3.48	64,168	133	64,035	3.48

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 13:02:39

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: After Tax Analysis (Summary)

Reserve Class: Proved
 Development Class: Developed Non-Producing
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl
2020	0	3	0	0	0	0.00	13	2	2	41.53	13	2	2	41.53
2021	0	5	0	0	0	0.00	19	7	7	47.64	19	7	7	47.64
2022	5	14	15	6	5	60.57	31	11	11	59.57	52	19	17	59.20
2023	5	14	27	10	8	65.69	38	14	13	65.14	83	30	28	63.81
2024	5	13	21	8	7	66.96	31	11	11	66.80	66	24	22	65.32
2025	5	12	18	7	6	68.31	27	10	9	68.43	55	20	19	66.95
2026	5	12	16	6	5	69.68	21	8	7	69.83	44	16	15	68.40
2027	3	11	13	5	4	71.08	7	3	3	72.68	21	8	7	71.65
2028	2	10	10	4	3	72.56	6	2	2	74.13	17	6	5	73.17
2029	1	10	9	3	3	74.02	0	0	0	0.00	9	3	3	74.02
2030	1	6	8	3	3	75.50	0	0	0	0.00	8	3	3	75.50
2031	0	6	2	1	1	77.01	0	0	0	0.00	2	1	1	77.01
Sub.				51	44	68.39		68	65	63.48		140	128	64.63
Rem.				3	3	81.91		0	0	0.00		3	3	81.91
Tot.				54	47	69.21		68	65	63.48		143	131	65.02

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf
2020	0	0	0	0.00	265	48	45	2.23	30	5	5	2.21
2021	0	0	0	0.00	520	190	174	2.37	42	15	15	2.36
2022	58	21	18	2.04	2,152	786	695	2.51	114	41	39	2.17
2023	103	38	33	2.09	4,251	1,551	1,382	2.57	157	57	55	2.15
2024	91	33	29	2.12	3,288	1,200	1,092	2.62	117	43	40	2.36
2025	79	29	25	2.17	2,637	962	886	2.67	94	34	32	2.57
2026	70	25	22	2.21	2,228	813	758	2.73	72	26	24	2.67
2027	61	22	20	2.25	1,862	680	640	2.79	20	7	7	3.48
2028	54	20	18	2.29	1,571	573	543	2.85	17	6	6	3.55
2029	47	17	16	2.33	1,376	502	476	2.90	0	0	0	0.00
2030	42	15	14	2.38	964	352	334	2.95	0	0	0	0.00
2031	7	3	2	2.42	865	316	300	3.01	0	0	0	0.00
Sub.		224	197	2.19		7,974	7,324	2.69		237	224	2.40
Rem.		10	9	2.58		846	802	3.18		0	0	0.00
Tot.		234	206	2.21		8,820	8,126	2.73		237	224	2.40

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl
2020	294	54	51	2.23	7	1	1	48.10	1	0	0	45.95
2021	563	205	188	2.37	9	3	3	54.51	2	1	0	53.20
2022	2,325	849	753	2.48	9	3	3	63.32	14	5	3	63.17
2023	4,515	1,648	1,471	2.54	8	3	2	68.50	28	10	7	68.66
2024	3,499	1,277	1,162	2.60	6	2	2	70.06	22	8	5	70.11
2025	2,812	1,027	944	2.66	6	2	2	71.59	18	6	4	71.55
2026	2,371	866	805	2.71	5	2	1	73.14	15	5	3	73.07
2027	1,943	709	667	2.78	4	2	1	74.81	12	4	4	74.79
2028	1,642	599	566	2.84	4	1	1	76.44	10	4	3	76.37
2029	1,423	519	492	2.88	3	1	1	78.05	8	3	3	78.14
2030	1,006	367	348	2.92	2	1	1	78.92	6	2	2	79.67
2031	872	318	302	3.00	2	1	1	80.50	5	2	1	81.74
Sub.		8,439	7,748	2.67		23	19	67.62		51	36	71.45
Rem.		855	812	3.18		2	2	84.80		5	4	86.71
Tot.		9,294	8,560	2.71		25	21	69.14		55	40	72.72

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	5	1	1	25.55	10	2	1	20.84	14	3	2	6.02
2021	8	3	2	29.96	14	5	4	20.44	23	8	8	7.21
2022	15	6	4	34.61	26	10	7	22.20	36	13	12	7.53
2023	20	7	5	39.74	32	12	9	23.09	35	13	12	7.45
2024	15	5	4	41.01	23	8	6	23.60	24	9	8	7.84
2025	12	4	3	42.08	19	7	5	24.14	20	7	7	7.99
2026	10	4	3	43.15	16	6	4	24.67	16	6	6	8.13
2027	8	3	3	44.86	12	4	4	25.32	12	4	4	8.44
2028	6	2	2	45.94	9	3	3	25.92	8	3	3	7.86
2029	6	2	2	46.94	8	3	3	26.50	7	3	2	8.02
2030	4	2	1	47.81	6	2	2	26.98	6	2	2	8.17
2031	3	1	1	49.24	6	2	2	27.61	5	2	2	8.34
Sub.		41	31	40.41		65	49	23.74		72	68	7.68
Rem.		4	3	51.62		6	5	29.43		6	6	8.94
Tot.		44	35	41.31		71	55	24.22		79	74	7.79

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	37	7	5	21.59	50	9	8	26.95	99	18	16	20.22
2021	55	20	17	22.90	75	27	23	29.23	168	61	55	20.86
2022	100	37	30	28.33	152	55	47	38.82	539	197	172	21.65
2023	125	45	35	34.75	208	76	63	46.39	960	351	308	21.99
2024	91	33	25	36.75	157	57	47	48.78	740	270	241	22.62
2025	74	27	20	37.69	130	47	39	50.20	598	218	196	23.36
2026	62	23	17	38.82	106	39	32	51.16	502	183	166	23.68
2027	47	17	15	41.04	68	25	22	50.42	392	143	133	22.56
2028	37	14	12	43.72	54	20	18	52.78	327	120	112	22.90
2029	32	12	11	44.29	41	15	14	50.72	278	102	96	22.26
2030	25	9	8	43.82	32	12	11	51.49	200	73	69	23.05
2031	21	8	7	43.48	23	9	8	46.89	169	62	58	22.03
Sub.		251	203	35.41		391	331	45.86		1,797	1,623	22.49
Rem.		23	21	44.22		26	24	48.95		168	159	23.66
Tot.		274	224	36.14		417	355	46.05		1,966	1,782	22.59

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens															
	Working Interest				Royalty Interest	Company Interest	Royalty Interest Process.	Royalty Burdens Pre-Processing	Gas Processing Allowance		Total Royalty After Process.	Net Revenue After Royalty	Operating Expenses			
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$	Total M\$	Total M\$	Expense M\$	Crown M\$	Other M\$	Crown M\$	Other M\$	Process. M\$	Royalty M\$	Fixed M\$	Variable M\$	Total M\$
2020	93	118	143	353	13	366	1	45	0	16	0	29	336	86	114	200
2021	302	475	455	1,232	50	1,282	7	147	15	43	2	117	1,158	298	330	628
2022	1,092	2,087	1,020	4,199	63	4,262	17	572	42	240	5	369	3,876	774	1,343	2,117
2023	1,921	4,169	1,564	7,654	55	7,709	16	1,073	51	445	5	673	7,020	1,466	2,724	4,190
2024	1,561	3,297	1,204	6,063	47	6,110	14	801	33	329	4	501	5,594	1,376	2,175	3,550
2025	1,342	2,711	1,007	5,060	41	5,102	13	637	28	256	3	406	4,683	1,396	1,799	3,195
2026	1,098	2,338	870	4,306	29	4,335	9	513	24	206	3	328	3,997	1,424	1,547	2,971
2027	545	1,966	700	3,210	17	3,227	9	246	20	102	2	163	3,056	1,023	1,249	2,272
2028	442	1,692	587	2,721	16	2,736	8	197	12	84	1	124	2,604	932	1,088	2,019
2029	241	1,491	517	2,248	14	2,263	7	155	11	69	1	96	2,160	804	939	1,743
2030	216	1,067	387	1,670	13	1,684	7	115	10	51	1	72	1,605	601	697	1,298
2031	67	949	329	1,346	12	1,358	6	91	0	44	0	47	1,305	480	594	1,075
Sub.	8,921	22,360	8,782	40,063	370	40,433	114	4,593	245	1,886	28	2,925	37,394	10,660	14,599	25,259
Rem.	267	2,714	1,000	3,981	5	3,986	3	264	0	126	0	137	3,846	1,658	1,686	3,345
Tot.	9,187	25,074	9,783	44,044	375	44,419	116	4,857	245	2,012	28	3,062	41,240	12,318	16,285	28,604
Disc	5,995	14,560	5,893	26,449	258	26,707	73	3,120	164	1,277	18	1,987	24,646	6,842	9,523	16,365

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	136	70	0	206	50	38	65	152	54	54	52
2021	0	0	0	530	4	0	534	4	0	148	151	383	436	400
2022	0	0	0	1,760	160	0	1,920	391	26	309	726	1,193	1,630	1,387
2023	0	0	0	2,830	262	0	3,092	0	0	0	0	3,092	4,722	3,710
2024	0	0	0	2,044	192	0	2,236	0	27	0	27	2,209	6,930	5,218
2025	0	0	0	1,488	154	0	1,641	0	0	0	0	1,641	8,572	6,237
2026	0	0	0	1,027	127	0	1,153	0	0	0	0	1,153	9,725	6,888
2027	0	0	0	785	86	0	871	0	0	0	0	871	10,596	7,335
2028	0	0	0	585	75	332	327	0	0	0	0	327	10,923	7,488
2029	0	0	0	417	65	142	340	0	0	0	0	340	11,263	7,632
2030	0	0	0	306	57	0	364	0	0	0	0	364	11,627	7,772
2031	0	0	0	230	30	449	-190	0	0	0	0	-190	11,437	7,706
Sub.	0	0	0	12,135	1,282	924	12,494	445	90	521	1,057	11,437	11,437	7,706
Rem.	0	0	0	501	118	2,109	-1,489	0	0	0	0	-1,489	9,948	7,416
Tot.	0	0	0	12,636	1,400	3,032	11,004	445	90	521	1,057	9,948	9,948	7,416
Disc	0	0	0	8,281	869	829	8,321	376	76	453	905	7,416	7,416	7,416

AFTER TAX ANALYSIS

Year	Oper. Income M\$	Tax Pool Balances Incl. Current Year Additions					Depreciation & Writeoffs					Total M\$
		CCA M\$	COGPE M\$	CDE M\$	CEE M\$	Other M\$	CCA M\$	COGPE M\$	CDE M\$	CEE M\$	Other M\$	
2020	206	102	0	50	0	0	38	0	23	0	145	206
2021	534	212	0	31	0	-145	71	0	10	0	453	534
2022	1,920	475	0	413	0	-598	161	0	183	0	1,577	1,920
2023	3,092	314	0	230	0	-2,174	79	0	69	0	2,944	3,092
2024	2,236	263	0	161	0	-5,119	66	0	48	0	2,122	2,236
2025	1,641	197	0	113	0	-7,240	49	0	34	0	0	83
2026	1,153	148	0	79	0	-7,240	37	0	24	0	1,093	1,153
2027	871	111	0	55	0	-8,333	28	0	17	2,522	-3,613	-1,047
2028	327	83	0	39	-2,522	-4,719	21	0	12	0	-2,853	-2,820
2029	340	62	0	27	-2,522	-1,867	16	0	8	0	-1,101	-1,078
2030	364	47	0	19	-2,522	-766	12	0	6	0	-653	-636
2031	-190	35	0	13	-2,522	-112	9	0	4	0	0	13
Sub.	12,494	35	0	13	-2,522	-112	585	0	436	2,522	112	3,655
Rem.	-1,489	35	0	13	-2,522	-112	26	0	9	0	-28	7
Tot.	11,004	35	0	13	-2,522	-112	612	0	445	2,522	84	3,663
Disc	8,321						435	0	324	1,294	2,229	4,283

AFTER TAX ANALYSIS

Year	Taxable Income M\$	Federal		Provincial		Income Tax Payable M\$	ARTD & Investment Credits	Net Cash Flow Before Income Tax			Net Cash Flow After Income Tax		
		Tax Rate %	Income Tax M\$	Tax Rate %	Income Tax M\$			Annual M\$	Cum. M\$	10.0% Dcf M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	15.0	0	10.0	0	0	0	54	54	52	54	54	52
2021	0	15.0	0	9.0	0	0	0	383	436	400	383	436	400
2022	0	15.0	0	8.1	0	0	0	1,193	1,630	1,387	1,193	1,630	1,387
2023	0	15.0	0	8.1	0	0	0	3,092	4,722	3,710	3,092	4,722	3,710
2024	0	15.0	0	8.1	0	0	0	2,209	6,930	5,218	2,209	6,930	5,218
2025	1,558	15.0	0	8.1	0	0	0	1,641	8,572	6,237	1,641	8,572	6,237
2026	0	15.0	0	8.1	0	0	0	1,153	9,725	6,888	1,153	9,725	6,888
2027	1,918	15.0	0	8.1	0	0	0	871	10,596	7,335	871	10,596	7,335
2028	3,148	15.0	360	8.1	194	0	553	327	10,923	7,488	-226	10,370	7,230
2029	1,418	15.0	213	8.1	114	0	327	340	11,263	7,632	13	10,383	7,235
2030	999	15.0	150	8.1	81	0	231	364	11,627	7,772	133	10,516	7,286
2031	-202	15.0	0	8.1	0	0	0	-190	11,437	7,706	-190	10,326	7,220
Sub.	8,838		722		389	0	1,111	11,437	11,437	7,706	10,326	10,326	7,220
Rem.	-1,497		0		0	0	0	-1,489	9,948	7,416	-1,489	8,837	6,931
Tot.	7,341		722		389	0	1,111	9,948	9,948	7,416	8,837	8,837	6,931
Disc	4,038		316		170	0	486	7,416	7,416	7,416	6,931	6,931	6,931

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	54	0	54	47	1.000	54	3	17.5	9.6	5.6
Tight Oil	Mbbl	66	2	68	65	1.000	68	3	8.5	13.9	4.0
Total: Total Oil	Mbbl	120	2	123	112	1.000	123	6	17.5	25.0	4.6
Solution Gas	MMcf	234	0	234	206	6.000	39	2	17.5	11.1	5.9
Residue Gas	MMcf	8,767	53	8,820	8,126	6.000	1,470	75	28.5	91.3	5.7
Shale Gas	MMcf	232	5	237	224	6.000	39	2	8.5	21.7	4.0
Total: Gas	MMcf	9,233	57	9,290	8,556	6.000	1,548	79	28.5	86.4	5.6
Gas Heat Content	BBtu	9,511	61	9,572	8,816	0.000	0	0	28.5	86.5	5.6
Condensate	Mbbl	55	0	55	40	1.000	55	3	28.5	209.8	5.5
Field Condensate (NGL)	Mbbl	25	0	25	21	1.000	25	1	28.5	9.8	4.7
Butane	Mbbl	43	1	44	35	1.000	44	2	28.5	22.6	4.9
Propane	Mbbl	69	1	71	55	1.000	71	4	28.5	20.1	4.8
Ethane	Mbbl	76	2	79	74	1.000	79	4	28.5	15.5	4.3
Total: NGL	Mbbl	269	5	274	224	1.000	274	14	28.5	20.5	4.8
Total: Oil+NGL	Mbbl	410	7	417	355	1.000	417	21	28.5	22.8	4.7
Total: Oil Eq.	Mboe	1,949	17	1,966	1,782	1.000	1,966	100	28.5	54.4	5.4

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties					
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total	
Light/Med Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,255	8	1,897	8	
Tight Oil	\$/bbl	48.61	-7.08	41.53	1.89	11.97	0.00	27.67	4,125	10	2,900	12	
Total: Total Oil	\$/bbl	48.61	-7.08	41.53	1.89	11.97	0.00	27.67	7,380	18	4,797	19	
Solution Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	494	1	289	1	
Residue Gas	\$/Mcf	2.12	0.10	2.23	-0.06	3.20	0.00	-0.91	23,678	57	13,679	55	
Shale Gas	\$/Mcf	2.12	0.08	2.21	0.10	0.45	0.00	1.65	543	1	380	2	
Total: Gas	\$/Mcf	2.12	0.10	2.23	-0.04	2.92	0.00	-0.66	24,715	60	14,348	58	
Condensate	\$/bbl	51.39	-5.44	45.95	13.16	0.00	0.00	32.79	3,108	8	1,751	7	
Field Condensate (NGL)	\$/bbl	51.39	-3.29	48.10	8.71	10.64	0.00	28.75	1,457	4	884	4	
Butane	\$/bbl	25.00	0.55	25.55	5.63	0.00	0.00	19.92	1,491	4	878	4	
Propane	\$/bbl	23.85	-3.01	20.84	5.74	0.00	0.00	15.10	1,323	3	796	3	
Ethane	\$/bbl	6.54	-0.52	6.02	-0.29	0.00	0.00	6.30	598	1	388	2	
Total: NGL	\$/bbl	23.24	-1.64	21.59	4.15	2.03	0.00	15.42	7,978	19	4,697	19	
Total: Oil+NGL	\$/bbl	30.06	-3.11	26.95	3.54	4.70	0.00	18.71	16,510	40	10,288	42	
Total: Oil Eq.	\$/boe	21.21	-0.99	20.22	1.66	10.31	0.00	8.25	41,240	100	24,646	100	

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax						Net Present Value After Income Tax					
	Initial	Average	Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		Operating Income M\$	Capital Invest. M\$	Cash Flow	
							M\$	\$/boe			M\$	\$/boe
Crown Royalty	12.8490	11.0274	0	12,636	11,004	1,057	9,948	5.06	9,893	1,057	8,837	4.49
Non-crown Royalty	0.0000	0.5563	5	10,093	9,645	975	8,670	4.41	8,918	975	7,943	4.04
Mineral Tax	0.0000	0.0000	8	8,938	8,832	932	7,900	4.02	8,262	932	7,331	3.73
			10	8,281	8,321	905	7,416	3.77	7,835	905	6,931	3.53
			12	7,699	7,841	879	6,962	3.54	7,426	879	6,547	3.33
			15	6,940	7,182	843	6,339	3.22	6,851	843	6,008	3.06
			20	5,917	6,237	789	5,448	2.77	6,007	789	5,219	2.65

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 13:02:39

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: After Tax Analysis (Summary)

Reserve Class: Proved
 Development Class: Undeveloped
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl
2020	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2021	0	8	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2022	5	12	264	96	90	60.23	208	76	72	58.04	472	172	162	59.27
2023	10	18	484	177	158	65.24	587	214	204	63.12	1,070	391	362	64.08
2024	10	18	241	88	72	66.63	541	197	188	64.38	782	285	260	65.07
2025	10	18	158	58	48	67.96	279	102	97	65.67	437	160	145	66.50
2026	10	18	119	43	38	69.33	183	67	64	66.98	302	110	102	67.91
2027	12	18	96	35	31	70.73	155	57	53	68.33	251	92	85	69.24
2028	11	18	81	29	27	72.14	121	44	40	69.69	201	73	67	70.67
2029	11	18	69	25	23	73.59	99	36	33	71.08	168	61	56	72.12
2030	11	18	61	22	21	75.07	84	31	28	72.50	145	53	49	73.59
2031	11	18	54	20	19	76.58	72	26	24	73.95	127	46	43	75.08
Sub.				594	527	66.97		850	803	65.27		1,444	1,330	65.97
Rem.				112	105	84.84		104	97	78.73		216	202	81.90
Tot.				706	632	69.79		954	900	66.74		1,659	1,532	68.04

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf
2020	0	0	0	0.00	2,326	424	403	2.38	0	0	0	0.00
2021	0	0	0	0.00	13,913	5,078	4,820	2.47	0	0	0	0.00
2022	1,013	370	351	2.31	12,999	4,745	4,497	2.75	1,083	395	376	2.61
2023	1,579	576	543	2.40	16,040	5,855	5,546	2.79	2,142	782	743	2.67
2024	883	322	300	2.45	10,462	3,819	3,608	2.83	1,407	514	489	2.71
2025	578	211	198	2.50	7,856	2,867	2,700	2.89	795	290	276	2.77
2026	435	159	150	2.55	6,383	2,330	2,167	2.95	545	199	189	2.83
2027	350	128	121	2.60	5,368	1,959	1,813	3.01	536	196	185	2.88
2028	294	107	101	2.65	4,599	1,679	1,552	3.07	430	157	148	2.94
2029	253	92	87	2.70	3,963	1,446	1,345	3.13	359	131	124	3.00
2030	222	81	77	2.75	3,453	1,260	1,177	3.19	308	112	107	3.06
2031	198	72	68	2.80	3,029	1,106	1,034	3.25	269	98	93	3.12
Sub.		2,119	1,995	2.48		32,568	30,662	2.83		2,874	2,730	2.76
Rem.		407	386	3.09		6,969	6,564	3.65		397	377	3.32
Tot.		2,525	2,381	2.58		39,537	37,227	2.97		3,270	3,107	2.83

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl
2020	2,326	424	403	2.38	39	7	7	51.34	17	3	3	44.38
2021	13,913	5,078	4,820	2.47	199	73	69	56.69	63	23	22	53.07
2022	15,096	5,510	5,223	2.71	207	76	71	65.51	97	36	33	60.50
2023	19,760	7,213	6,833	2.74	253	93	86	70.81	154	56	52	65.10
2024	12,753	4,655	4,398	2.79	161	59	54	72.33	99	36	33	66.40
2025	9,229	3,368	3,173	2.86	120	44	39	73.87	65	24	21	68.27
2026	7,363	2,687	2,506	2.92	98	36	30	75.44	49	18	16	69.98
2027	6,253	2,282	2,119	2.98	82	30	25	77.03	43	16	14	71.12
2028	5,322	1,943	1,801	3.04	70	26	21	78.66	36	13	11	72.72
2029	4,574	1,670	1,556	3.10	61	22	18	80.32	31	11	10	74.30
2030	3,983	1,454	1,360	3.15	53	19	16	82.00	27	10	9	75.90
2031	3,496	1,276	1,195	3.22	46	17	15	83.63	23	9	8	77.43
Sub.		37,560	35,388	2.80		500	450	70.51		254	231	65.93
Rem.		7,772	7,327	3.61		108	97	93.86		46	42	86.57
Tot.		45,333	42,715	2.94		608	547	74.64		301	272	69.09

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	26	5	4	14.99	41	8	7	14.84	13	2	2	5.53
2021	152	55	52	26.52	217	79	73	19.07	257	94	89	6.17
2022	178	65	61	34.65	242	88	81	22.40	296	108	103	6.84
2023	234	85	79	39.14	323	118	107	23.37	395	144	137	6.99
2024	148	54	49	39.95	205	75	65	23.82	255	93	88	7.12
2025	107	39	35	40.96	149	54	47	24.34	187	68	65	7.26
2026	86	31	27	41.90	119	43	36	24.85	149	54	51	7.41
2027	72	26	22	42.74	99	36	29	25.34	124	45	43	7.56
2028	61	22	19	43.62	85	31	25	25.84	106	39	36	7.71
2029	53	19	17	44.47	73	27	22	26.33	91	33	31	7.87
2030	46	17	15	45.33	64	23	19	26.85	79	29	27	8.02
2031	40	15	13	46.21	56	20	17	27.37	70	26	24	8.18
Sub.		434	393	38.23		603	530	23.45		736	697	7.12
Rem.		90	83	51.78		127	110	30.61		157	148	9.15
Tot.		525	476	40.56		730	640	24.69		892	846	7.48

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	137	25	24	28.25	137	25	24	28.25	525	96	91	17.91
2021	888	324	305	27.48	888	324	305	27.48	3,207	1,171	1,109	18.31
2022	1,021	373	348	32.42	1,492	545	510	40.90	4,008	1,463	1,380	25.43
2023	1,359	496	461	34.89	2,430	887	823	47.75	5,723	2,089	1,962	29.75
2024	868	317	289	35.52	1,650	602	550	49.53	3,776	1,378	1,283	31.07
2025	628	229	208	36.12	1,065	389	353	48.58	2,604	950	882	30.00
2026	501	183	160	36.84	803	293	262	48.54	2,030	741	680	29.78
2027	421	154	133	37.85	672	245	217	49.58	1,714	626	570	30.30
2028	358	131	112	38.62	560	204	179	50.14	1,447	528	479	30.57
2029	308	113	98	39.39	477	174	154	50.94	1,239	452	413	31.03
2030	269	98	86	40.16	414	151	135	51.86	1,077	393	362	31.57
2031	236	86	77	40.92	363	132	119	52.84	946	345	319	32.18
Sub.		2,528	2,301	34.83		3,972	3,632	46.15		10,232	9,530	28.20
Rem.		527	480	45.65		743	682	56.17		2,038	1,903	34.22
Tot.		3,055	2,781	36.69		4,715	4,314	47.72		12,270	11,433	29.20

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens															
	Working Interest				Royalty Interest	Company Interest	Royalty Interest Process.	Royalty Burdens Pre-Processing	Gas Processing Allowance		Total Royalty After Process.	Net Revenue After Royalty	Operating Expenses			
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$	Total M\$	Total M\$	Expense M\$	Crown M\$	Other M\$	Crown M\$	Other M\$	Process. M\$	Royalty M\$	Fixed M\$	Variable M\$	Total M\$
2020	0	1,009	706	1,715	0	1,715	0	92	0	33	0	59	1,656	9	544	553
2021	0	12,528	8,909	21,437	0	21,437	-2	1,207	0	340	0	867	20,572	364	5,295	5,659
2022	10,151	14,914	12,076	37,141	58	37,199	0	2,289	0	395	0	1,894	35,305	867	5,933	6,800
2023	24,318	19,752	17,274	61,345	800	62,145	4	4,275	0	585	0	3,690	58,451	1,797	8,567	10,364
2024	17,495	12,920	11,201	41,617	1,202	42,819	9	3,495	0	517	0	2,978	39,831	2,027	5,477	7,504
2025	10,092	9,584	8,254	27,931	580	28,511	11	2,448	0	426	0	2,023	26,478	2,073	3,956	6,029
2026	7,157	7,821	6,714	21,692	370	22,062	10	2,152	0	392	0	1,760	20,292	2,115	3,188	5,302
2027	6,084	6,779	5,801	18,664	291	18,955	10	1,983	0	350	0	1,633	17,312	2,791	2,767	5,558
2028	4,989	5,888	5,043	15,921	223	16,144	9	1,816	0	314	0	1,502	14,633	2,771	2,398	5,169
2029	4,265	5,160	4,424	13,849	184	14,033	9	1,467	0	263	0	1,204	12,820	2,826	2,102	4,928
2030	3,747	4,578	3,934	12,258	156	12,415	8	1,202	0	219	0	983	11,423	2,883	1,868	4,751
2031	3,349	4,097	3,523	10,968	136	11,105	8	1,005	0	175	0	830	10,267	2,941	1,674	4,615
Sub.	91,649	105,030	87,860	284,538	4,001	288,539	77	23,431	0	4,008	0	19,423	269,039	23,463	43,769	67,232
Rem.	17,143	27,994	24,045	69,182	566	69,748	39	5,264	0	848	0	4,416	65,293	29,595	11,303	40,898
Tot.	108,792	133,024	111,905	353,720	4,567	358,287	116	28,695	0	4,856	0	23,839	334,332	53,058	55,072	108,130
Disc	62,920	76,364	63,440	202,723	2,627	205,350	50	15,901	0	2,715	0	13,186	192,115	18,469	31,853	50,322

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	1,103	0	0	1,103	4,150	485	375	5,010	-3,907	-3,907	-3,815
2021	0	0	0	14,913	35	0	14,948	27,067	1,300	1,936	30,303	-15,355	-19,262	-17,774
2022	0	0	0	28,506	36	0	28,542	32,001	7,070	2,737	41,808	-13,266	-32,528	-28,738
2023	0	0	0	48,087	61	0	48,147	32,945	2,349	4,568	39,863	8,284	-24,244	-22,514
2024	0	0	0	32,327	40	0	32,368	4,351	159	265	4,775	27,593	3,349	-3,667
2025	0	0	0	20,449	29	14	20,464	0	0	0	0	20,464	23,814	9,039
2026	0	0	0	14,990	23	-1,713	16,725	0	0	0	0	16,725	40,539	18,481
2027	0	0	0	11,754	19	204	11,568	0	0	0	0	11,568	52,107	24,417
2028	0	0	0	9,464	16	223	9,257	0	0	0	0	9,257	61,364	28,735
2029	0	0	0	7,891	14	227	7,678	0	0	0	0	7,678	69,042	31,991
2030	0	0	0	6,672	12	232	6,452	0	0	0	0	6,452	75,494	34,479
2031	0	0	0	5,652	11	-890	6,553	0	0	0	0	6,553	82,047	36,776
Sub.	0	0	0	201,807	295	-1,703	203,805	100,514	11,363	9,882	121,759	82,047	82,047	36,776
Rem.	0	0	0	24,395	66	7,956	16,505	0	0	0	0	16,505	98,552	41,811
Tot.	0	0	0	226,202	361	6,252	220,310	100,514	11,363	9,882	121,759	98,552	98,552	41,811
Disc	0	0	0	141,792	212	-10	142,014	82,829	9,372	8,002	100,203	41,811	41,811	41,811

AFTER TAX ANALYSIS

Year	Oper. Income M\$	Tax Pool Balances Incl. Current Year Additions					Depreciation & Writeoffs					Total M\$
		CCA M\$	COGPE M\$	CDE M\$	CEE M\$	Other M\$	CCA M\$	COGPE M\$	CDE M\$	CEE M\$	Other M\$	
2020	1,103	860	0	4,150	0	0	323	0	1,868	0	-1,087	1,103
2021	14,948	3,774	0	29,349	0	1,087	1,348	0	12,865	0	735	14,948
2022	28,542	12,232	0	48,486	0	352	4,284	0	19,346	0	4,912	28,542
2023	48,147	14,866	0	62,085	0	-4,560	4,581	0	23,567	2,522	13,766	44,436
2024	32,368	10,709	0	42,868	-2,522	-18,326	2,677	0	13,187	0	-12,326	3,539
2025	20,464	8,032	0	29,682	-2,522	-6,000	2,008	0	8,904	0	0	10,912
2026	16,725	6,024	0	20,777	-2,522	-6,000	1,506	0	6,233	0	-4,798	2,941
2027	11,568	4,518	0	14,544	-2,522	-1,202	1,129	0	4,363	-2,522	-1,202	1,769
2028	9,257	3,388	0	10,181	0	0	847	0	3,054	0	0	3,901
2029	7,678	2,541	0	7,127	0	0	635	0	2,138	0	0	2,773
2030	6,452	1,906	0	4,989	0	0	477	0	1,497	0	0	1,973
2031	6,553	1,430	0	3,492	0	0	357	0	1,048	0	0	1,405
Sub.	203,805	1,430	0	3,492	0	0	20,173	0	98,069	0	0	118,242
Rem.	16,505	1,430	0	3,492	0	0	1,072	0	2,444	0	0	3,517
Tot.	220,310	1,430	0	3,492	0	0	21,245	0	100,514	0	0	121,759
Disc	142,014						14,270	0	71,425	601	2,265	88,560

AFTER TAX ANALYSIS

Year	Taxable Income M\$	Federal		Provincial		ARTD & Investment Credits	Income Tax Payable M\$	Net Cash Flow Before Income Tax			Net Cash Flow After Income Tax		
		Tax Rate %	Income Tax M\$	Tax Rate %	Income Tax M\$			Annual M\$	Cum. M\$	10.0% Dcf M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	15.0	0	10.0	0	0	0	-3,907	-3,907	-3,815	-3,907	-3,907	-3,815
2021	0	15.0	0	9.0	0	0	0	-15,355	-19,262	-17,774	-15,355	-19,262	-17,774
2022	0	15.0	0	8.1	0	0	0	-13,266	-32,528	-28,738	-13,266	-32,528	-28,738
2023	3,711	15.0	557	8.1	299	0	856	8,284	-24,244	-22,514	7,428	-25,100	-23,157
2024	28,829	15.0	4,324	8.1	2,327	0	6,651	27,593	3,349	-3,667	20,942	-4,158	-8,853
2025	9,552	15.0	1,033	8.1	556	0	1,588	20,464	23,814	9,039	18,876	14,718	2,867
2026	13,785	15.0	2,068	8.1	1,112	0	3,180	16,725	40,539	18,481	13,545	28,264	10,513
2027	9,800	15.0	1,758	8.1	946	0	2,703	11,568	52,107	24,417	8,865	37,128	15,062
2028	5,356	15.0	916	8.1	493	0	1,408	9,257	61,364	28,735	7,849	44,977	18,724
2029	4,904	15.0	736	8.1	396	0	1,131	7,678	69,042	31,991	6,546	51,523	21,500
2030	4,479	15.0	672	8.1	361	0	1,033	6,452	75,494	34,479	5,419	56,942	23,589
2031	5,148	15.0	627	8.1	337	0	964	6,553	82,047	36,776	5,589	62,531	25,548
Sub.	85,563		12,689		6,827	0	19,516	82,047	82,047	36,776	62,531	62,531	25,548
Rem.	12,988		610		328	0	938	16,505	98,552	41,811	15,567	78,098	30,307
Tot.	98,552		13,299		7,155	0	20,453	98,552	98,552	41,811	78,098	78,098	30,307
Disc	53,454		7,480		4,024	0	11,504	41,811	41,811	41,811	30,307	30,307	30,307

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	705	0	706	632	1.000	706	6	24.5	7.3	4.9
Tight Oil	Mbbl	893	60	954	900	1.000	954	8	17.5	12.6	4.9
Total: Total Oil	Mbbl	1,598	61	1,659	1,532	1.000	1,659	14	24.5	9.6	4.9
Solution Gas	MMcf	2,525	0	2,525	2,381	6.000	421	3	24.5	6.8	5.0
Residue Gas	MMcf	39,537	0	39,537	37,227	6.000	6,589	54	33.5	46.6	5.0
Shale Gas	MMcf	3,178	92	3,270	3,107	6.000	545	4	17.5	8.3	4.9
Total: Gas	MMcf	45,241	92	45,333	42,715	6.000	7,555	62	33.5	53.4	5.0
Gas Heat Content	BBtu	49,386	97	49,483	46,625	0.000	0	0	33.5	53.4	5.0
Condensate	Mbbl	298	3	301	272	1.000	301	2	33.5	47.2	4.9
Field Condensate (NGL)	Mbbl	608	0	608	547	1.000	608	5	33.5	42.3	5.0
Butane	Mbbl	524	1	525	476	1.000	525	4	33.5	55.6	5.0
Propane	Mbbl	730	0	730	640	1.000	730	6	33.5	48.4	5.0
Ethane	Mbbl	892	0	892	846	1.000	892	7	33.5	189.2	5.1
Total: NGL	Mbbl	3,052	4	3,055	2,781	1.000	3,055	25	33.5	61.1	5.0
Total: Oil+NGL	Mbbl	4,650	65	4,715	4,314	1.000	4,715	38	33.5	94.3	5.0
Total: Oil Eq.	Mboe	12,190	80	12,270	11,433	1.000	12,270	100	33.5	64.1	5.0

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44,200	13	24,883	13
Tight Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	60,037	18	35,343	18
Total: Total Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	0.00	0.00	104,236	31	60,226	31
Solution Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,431	2	3,648	2
Residue Gas	\$/Mcf	2.12	0.25	2.38	0.06	1.17	0.00	1.14	113,178	34	64,960	34
Shale Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,772	3	5,164	3
Total: Gas	\$/Mcf	2.12	0.25	2.38	0.06	1.17	0.00	1.14	128,381	38	73,772	38
Condensate	\$/bbl	51.39	-7.01	44.38	1.40	0.00	0.00	42.98	19,096	6	11,039	6
Field Condensate (NGL)	\$/bbl	51.39	-0.05	51.34	2.47	7.70	0.00	41.17	40,811	12	23,326	12
Butane	\$/bbl	25.00	-10.01	14.99	0.90	0.00	0.00	14.09	19,508	6	10,966	6
Propane	\$/bbl	23.85	-9.01	14.84	0.84	0.00	0.00	14.00	15,780	5	9,083	5
Ethane	\$/bbl	6.54	-1.01	5.53	0.17	0.00	0.00	5.36	6,520	2	3,702	2
Total: NGL	\$/bbl	33.87	-5.61	28.25	1.33	2.22	0.00	24.71	101,715	30	58,116	30
Total: Oil+NGL	\$/bbl	33.87	-5.61	28.25	1.33	2.22	0.00	24.71	205,951	62	118,342	62
Total: Oil Eq.	\$/boe	18.02	-0.11	17.91	0.62	5.19	0.00	12.10	334,332	100	192,115	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax						Net Present Value After Income Tax					
	Initial	Average	Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		Operating Income M\$	Capital Invest. M\$	Cash Flow	
							M\$	\$/boe			M\$	\$/boe
Crown Royalty	5.3430	8.1123	0	226,202	220,310	121,759	98,552	8.03	199,857	121,759	78,098	6.36
Non-crown Royalty	0.0000	0.0000	5	175,406	174,417	110,093	64,324	5.24	159,286	110,093	49,192	4.01
Mineral Tax	0.0000	0.0000	8	153,755	153,682	103,970	49,712	4.05	140,884	103,970	36,913	3.01
			10	141,792	142,014	100,203	41,811	3.41	130,510	100,203	30,307	2.47
			12	131,374	131,756	96,663	35,093	2.86	121,378	96,663	24,715	2.01
			15	118,061	118,545	91,742	26,803	2.18	109,597	91,742	17,855	1.46
			20	100,484	100,978	84,444	16,534	1.35	93,882	84,444	9,438	0.77

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 13:02:38

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: After Tax Analysis (Summary)

Reserve Class: Proved
 Development Class: Total
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl
2020	103	199	1,054	192	178	43.32	171	31	30	41.63	1,235	225	209	43.03
2021	67	148	789	288	264	49.41	111	41	39	47.64	901	329	303	49.19
2022	75	162	911	333	303	59.89	296	108	103	58.19	1,213	443	407	59.45
2023	79	165	1,038	379	339	65.00	665	243	231	63.24	1,722	629	577	64.25
2024	76	157	712	260	227	66.22	603	220	210	64.51	1,329	485	442	65.37
2025	69	148	528	193	171	67.42	331	121	115	65.89	869	317	289	66.76
2026	63	145	425	155	140	68.97	224	82	78	67.25	657	240	220	68.30
2027	58	144	356	130	117	70.33	162	59	56	68.52	518	189	173	69.76
2028	52	137	301	110	100	71.64	127	46	42	69.91	428	156	142	71.13
2029	47	131	261	95	87	72.99	99	36	33	71.08	360	131	120	72.46
2030	43	117	232	85	78	74.46	84	31	28	72.50	316	115	106	73.94
2031	40	110	199	73	67	75.86	72	26	24	73.95	271	99	91	75.35
Sub.				2,292	2,071	62.73		1,044	988	63.76		3,358	3,080	63.02
Rem.				360	329	87.25		104	97	78.73		464	426	85.34
Tot.				2,651	2,400	66.06		1,148	1,085	65.12		3,822	3,506	65.73

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf
2020	4,513	824	738	2.03	27,841	5,081	4,686	2.24	1,106	202	191	2.14
2021	3,409	1,244	1,115	2.21	34,367	12,544	11,676	2.42	643	235	223	2.36
2022	3,788	1,383	1,259	2.43	32,714	11,941	11,081	2.67	1,584	578	550	2.58
2023	3,886	1,418	1,297	2.47	35,728	13,041	12,112	2.72	2,579	941	895	2.63
2024	2,747	1,003	912	2.53	27,273	9,955	9,244	2.76	1,742	636	605	2.69
2025	2,106	769	699	2.59	22,277	8,131	7,552	2.81	1,064	388	369	2.75
2026	1,696	619	563	2.63	19,164	6,995	6,481	2.87	762	278	264	2.81
2027	1,370	500	462	2.69	16,795	6,130	5,737	2.93	562	205	194	2.91
2028	1,115	407	379	2.74	14,679	5,358	5,018	2.99	450	164	155	2.96
2029	933	341	318	2.80	12,856	4,692	4,407	3.05	361	132	125	3.00
2030	824	301	281	2.85	10,917	3,985	3,746	3.11	310	113	107	3.05
2031	690	252	235	2.91	9,645	3,520	3,313	3.17	270	99	94	3.12
Sub.		9,060	8,258	2.48		91,373	85,052	2.75		3,971	3,773	2.68
Rem.		1,025	962	3.21		17,264	16,251	3.53		400	380	3.32
Tot.		10,085	9,220	2.55		108,637	101,303	2.87		4,371	4,153	2.74

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl
2020	33,506	6,115	5,623	2.21	316	58	47	48.88	248	45	33	45.51
2021	38,419	14,023	13,015	2.40	423	155	132	55.82	234	85	65	52.19
2022	38,088	13,902	12,890	2.64	403	147	124	64.83	252	92	71	60.95
2023	42,197	15,402	14,306	2.69	425	155	133	70.22	301	110	87	65.93
2024	31,766	11,594	10,762	2.73	309	113	94	71.63	223	81	62	67.41
2025	25,449	9,289	8,621	2.79	248	90	75	73.12	169	62	46	69.15
2026	21,624	7,893	7,309	2.85	210	77	62	74.64	140	51	37	70.74
2027	18,728	6,836	6,393	2.91	183	67	58	76.20	119	44	39	72.30
2028	16,244	5,929	5,552	2.97	159	58	50	77.80	103	38	33	73.87
2029	14,151	5,165	4,849	3.03	137	50	44	79.49	90	33	29	75.43
2030	12,052	4,399	4,135	3.09	117	43	38	81.25	78	28	26	76.92
2031	10,605	3,871	3,642	3.15	103	38	34	82.89	67	24	22	78.53
Sub.		104,417	97,095	2.72		1,050	891	69.04		693	550	65.23
Rem.		18,689	17,593	3.51		199	181	92.69		117	106	86.54
Tot.		123,106	114,688	2.84		1,249	1,072	72.81		810	656	68.31

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	412	75	57	18.95	675	123	91	18.61	784	143	133	5.71
2021	453	166	133	25.85	716	261	205	19.23	886	323	303	6.17
2022	447	163	132	34.10	689	251	198	22.39	859	313	294	6.84
2023	474	173	143	39.17	719	263	211	23.46	888	324	305	6.98
2024	353	129	103	40.14	542	198	154	23.95	674	246	231	7.13
2025	282	103	81	41.13	436	159	122	24.51	545	199	187	7.27
2026	238	87	67	42.01	370	135	102	25.01	463	169	159	7.41
2027	206	75	67	42.87	319	117	101	25.54	399	146	137	7.58
2028	178	65	58	43.79	275	100	87	26.09	342	125	117	7.73
2029	154	56	51	44.65	238	87	76	26.58	295	108	102	7.90
2030	132	48	44	45.53	204	75	65	27.08	251	92	87	8.06
2031	116	42	39	46.44	179	65	58	27.63	221	81	76	8.21
Sub.		1,183	975	37.08		1,834	1,470	23.36		2,268	2,131	7.05
Rem.		214	197	51.44		328	290	30.78		410	388	9.19
Tot.		1,397	1,173	39.28		2,162	1,760	24.49		2,678	2,519	7.38

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	2,434	444	361	21.17	3,670	670	570	28.53	9,254	1,689	1,508	19.31
2021	2,712	990	837	24.63	3,613	1,319	1,140	30.75	10,016	3,656	3,310	20.30
2022	2,650	967	820	29.45	3,863	1,410	1,227	38.87	10,211	3,727	3,376	24.56
2023	2,807	1,025	879	32.53	4,530	1,653	1,455	44.59	11,562	4,220	3,840	27.29
2024	2,100	767	645	32.90	3,429	1,252	1,087	45.48	8,723	3,184	2,881	27.84
2025	1,679	613	512	33.37	2,549	930	801	44.76	6,790	2,478	2,238	27.27
2026	1,421	519	427	33.98	2,078	758	647	44.83	5,682	2,074	1,865	27.25
2027	1,226	447	402	34.70	1,744	636	575	45.12	4,865	1,776	1,640	27.38
2028	1,057	386	347	35.57	1,485	542	489	45.82	4,192	1,530	1,414	27.74
2029	914	334	302	36.36	1,274	465	422	46.56	3,632	1,326	1,230	28.13
2030	783	286	259	37.16	1,099	401	365	47.73	3,107	1,134	1,054	28.86
2031	686	250	228	37.84	957	349	320	48.47	2,725	995	926	29.29
Sub.		7,027	6,018	31.36		10,386	9,099	41.60		27,789	25,281	25.78
Rem.		1,268	1,162	42.14		1,732	1,588	53.71		4,847	4,520	32.72
Tot.		8,296	7,180	33.01		12,118	10,687	43.33		32,636	29,801	26.81

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens															
	Working Interest				Royalty Interest	Company Interest	Royalty Interest Process.	Royalty Burdens Pre-Processing	Gas Processing Allowance		Total Royalty After Process.	Net Revenue After Royalty	Operating Expenses			
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$	Total M\$	Total M\$	Expense M\$	Crown M\$	Other M\$	Crown M\$	Other M\$	Process. M\$	Royalty M\$	Fixed M\$	Variable M\$	Total M\$
2020	9,507	13,054	9,171	31,732	884	32,615	298	3,849	373	1,332	67	2,823	29,494	9,573	8,688	18,261
2021	15,849	33,020	24,007	72,876	1,342	74,218	366	7,964	645	2,392	105	6,112	67,740	13,485	18,152	31,636
2022	25,978	36,141	28,108	90,227	1,317	91,544	320	9,759	658	2,352	95	7,970	83,253	14,036	18,071	32,107
2023	39,440	40,907	32,952	113,299	1,888	115,187	281	11,825	596	2,524	82	9,815	105,091	15,558	20,786	36,344
2024	30,449	31,240	24,879	86,568	2,065	88,633	217	9,861	487	2,116	71	8,161	80,255	15,320	16,071	31,391
2025	20,513	25,591	20,195	66,299	1,286	67,585	170	7,810	420	1,794	59	6,377	61,037	14,352	12,876	27,228
2026	15,922	22,199	17,398	55,518	985	56,503	152	6,801	379	1,598	54	5,529	50,822	13,939	11,113	25,052
2027	12,842	19,635	15,326	47,804	817	48,621	140	4,093	330	854	48	3,520	44,960	13,424	9,734	23,157
2028	10,839	17,398	13,555	41,792	662	42,453	120	3,625	245	747	40	3,084	39,249	12,850	8,635	21,485
2029	9,289	15,447	11,978	36,714	574	37,289	110	3,010	215	638	36	2,550	34,629	12,289	7,656	19,945
2030	8,329	13,419	10,488	32,236	493	32,729	99	2,535	193	538	33	2,157	30,474	11,429	6,683	18,112
2031	7,309	12,052	9,362	28,723	410	29,133	86	2,167	166	457	27	1,849	27,197	10,993	5,969	16,961
Sub.	206,266	280,102	217,420	703,788	12,722	716,509	2,360	73,299	4,708	17,342	717	59,947	654,202	157,248	144,433	301,681
Rem.	38,795	64,977	53,033	156,806	1,785	158,590	404	11,511	1,061	2,185	183	10,204	147,983	73,937	31,092	105,029
Tot.	245,061	345,079	270,453	860,593	14,506	875,100	2,764	84,810	5,768	19,527	900	70,151	802,185	231,185	175,525	406,710
Disc	147,284	201,947	156,434	505,665	9,091	514,756	1,778	52,691	3,460	12,696	533	42,923	470,055	114,531	104,776	219,307

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	9	0	-12	11,235	1,918	1,782	11,372	4,260	557	485	5,301	6,070	6,070	5,927
2021	18	0	-23	36,109	2,494	1,800	36,803	27,070	1,300	2,084	30,454	6,349	12,419	11,699
2022	25	0	-24	51,145	2,235	1,836	51,544	32,393	7,095	3,046	42,534	9,010	21,430	19,146
2023	23	0	-22	68,746	1,992	1,873	68,865	32,945	2,349	4,568	39,863	29,003	50,432	40,936
2024	18	0	-20	48,865	1,595	1,910	48,550	4,351	186	265	4,802	43,748	94,180	70,816
2025	16	0	-18	33,811	1,294	14,024	21,082	0	0	0	0	21,082	115,262	83,907
2026	14	0	-17	25,773	1,162	2,591	24,344	0	0	0	0	24,344	139,607	97,648
2027	12	0	-19	21,810	1,023	3,183	19,650	0	0	0	0	19,650	159,257	107,732
2028	11	0	-18	17,770	903	4,144	14,529	0	0	0	0	14,529	173,785	114,510
2029	10	0	-16	14,691	792	4,528	10,954	0	0	0	0	10,954	184,739	119,155
2030	9	0	-15	12,368	630	3,912	9,086	0	0	0	0	9,086	193,826	122,658
2031	8	0	-14	10,242	546	3,761	7,027	0	0	0	0	7,027	200,853	125,121
Sub.	172	0	-217	352,566	16,584	45,343	323,807	101,019	11,487	10,448	122,954	200,853	200,853	125,121
Rem.	51	0	-120	43,022	3,345	71,641	-25,274	0	0	0	0	-25,274	175,578	126,083
Tot.	223	0	-337	395,588	19,928	116,985	298,532	101,019	11,487	10,448	122,954	175,578	175,578	126,083
Disc	124	0	-161	250,786	12,476	35,936	227,326	83,264	9,481	8,498	101,243	126,083	126,083	126,083

AFTER TAX ANALYSIS

Year	Oper. Income M\$	Tax Pool Balances Incl. Current Year Additions					Depreciation & Writeoffs					Total M\$
		CCA M\$	COGPE M\$	CDE M\$	CEE M\$	Other M\$	CCA M\$	COGPE M\$	CDE M\$	CEE M\$	Other M\$	
2020	11,372	9,922	41,208	9,069	2,522	69,832	2,487	4,121	3,360	0	1,405	11,373
2021	36,803	10,819	37,087	32,780	2,522	68,427	3,013	3,709	13,894	0	16,187	36,803
2022	51,544	17,947	33,378	51,278	2,522	52,240	5,648	3,338	20,242	0	22,317	51,545
2023	68,865	19,217	30,041	63,981	2,522	29,923	5,570	3,004	24,136	2,522	29,923	65,155
2024	48,550	14,098	27,037	44,195	0	0	3,432	2,704	13,585	0	0	19,721
2025	21,082	10,666	24,333	30,610	0	0	2,581	2,433	9,183	0	0	14,197
2026	24,344	8,085	21,900	21,427	0	0	1,942	2,190	6,428	0	0	10,560
2027	19,650	6,144	19,710	14,999	0	0	1,462	1,971	4,500	0	0	7,932
2028	14,529	4,682	17,739	10,499	0	0	1,101	1,774	3,150	0	0	6,025
2029	10,954	3,580	15,965	7,350	0	0	831	1,596	2,205	0	0	4,632
2030	9,086	2,750	14,368	5,145	0	0	628	1,437	1,543	0	0	3,608
2031	7,027	2,122	12,932	3,601	0	0	475	1,293	1,080	0	0	2,848
Sub.	323,807	2,122	12,932	3,601	0	0	29,169	29,570	103,307	2,522	69,832	234,400
Rem.	-25,274	2,122	12,932	3,601	0	0	1,629	11,637	2,521	0	0	15,787
Tot.	298,532	2,122	12,932	3,601	0	0	30,798	41,207	105,828	2,522	69,832	250,187
Disc	227,326						21,470	22,567	75,734	1,895	57,013	178,679

AFTER TAX ANALYSIS

Year	Taxable Income M\$	Federal		Provincial		ARTD & Investment Credits	Income Tax Payable M\$	Net Cash Flow Before Income Tax			Net Cash Flow After Income Tax		
		Tax Rate %	Income Tax M\$	Tax Rate %	Income Tax M\$			Annual M\$	Cum. M\$	10.0% Dcf M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	15.0	0	10.0	0	0	0	6,070	6,070	5,927	6,070	6,070	5,927
2021	0	15.0	0	9.0	0	0	0	6,349	12,419	11,699	6,349	12,419	11,699
2022	0	15.0	0	8.1	0	0	0	9,010	21,430	19,146	9,010	21,430	19,146
2023	3,711	15.0	557	8.1	299	0	856	29,003	50,432	40,936	28,147	49,576	40,293
2024	28,829	15.0	4,324	8.1	2,327	0	6,651	43,748	94,180	70,816	37,097	86,673	65,631
2025	6,885	15.0	1,033	8.1	556	0	1,588	21,082	115,262	83,907	19,494	106,167	77,734
2026	13,785	15.0	2,068	8.1	1,112	0	3,180	24,344	139,607	97,648	21,164	127,331	89,681
2027	11,718	15.0	1,758	8.1	946	0	2,703	19,650	159,257	107,732	16,947	144,278	98,377
2028	8,503	15.0	1,276	8.1	686	0	1,962	14,529	173,785	114,510	12,567	156,845	104,240
2029	6,322	15.0	948	8.1	510	0	1,459	10,954	184,739	119,155	9,496	166,340	108,267
2030	5,478	15.0	822	8.1	442	0	1,264	9,086	193,826	122,658	7,823	174,163	111,283
2031	4,178	15.0	627	8.1	337	0	964	7,027	200,853	125,121	6,063	180,226	113,408
Sub.	89,410		13,411		7,215	0	20,627	200,853	200,853	125,121	180,226	180,226	113,408
Rem.	-41,061		610		328	0	938	-25,274	175,578	126,083	-26,212	154,014	114,093
Tot.	48,348		14,021		7,543	0	21,564	175,578	175,578	126,083	154,014	154,014	114,093
Disc	48,650		7,796		4,194	0	11,990	126,083	126,083	126,083	114,093	114,093	114,093



SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	2,624	27	2,651	2,400	1.000	2,651	8	40.5	6.9	4.5
Tight Oil	Mbbl	1,082	66	1,148	1,085	1.000	1,148	4	17.5	18.4	4.7
Total: Total Oil	Mbbl	3,706	93	3,800	3,485	1.000	3,800	12	40.5	8.5	4.6
Solution Gas	MMcf	9,973	111	10,085	9,220	6.000	1,681	5	40.5	6.1	4.2
Residue Gas	MMcf	107,012	1,625	108,637	101,303	6.000	18,106	55	40.5	10.7	5.2
Shale Gas	MMcf	4,232	139	4,371	4,153	6.000	729	2	17.5	10.8	4.4
Total: Gas	MMcf	121,217	1,875	123,093	114,676	6.000	20,515	63	40.5	10.1	5.1
Gas Heat Content	BBtu	130,502	1,990	132,492	123,412	0.000	0	0	40.5	10.1	5.1
Condensate	Mbbl	795	15	810	656	1.000	810	2	40.5	9.0	4.9
Field Condensate (NGL)	Mbbl	1,240	8	1,249	1,072	1.000	1,249	4	40.5	10.8	5.0
Butane	Mbbl	1,372	25	1,397	1,173	1.000	1,397	4	40.5	9.3	4.9
Propane	Mbbl	2,137	25	2,162	1,760	1.000	2,162	7	40.5	8.8	4.9
Ethane	Mbbl	2,635	43	2,678	2,519	1.000	2,678	8	40.5	9.4	5.0
Total: NGL	Mbbl	8,180	116	8,296	7,180	1.000	8,296	25	40.5	9.3	4.9
Total: Oil+NGL	Mbbl	11,909	209	12,118	10,686	1.000	12,118	37	40.5	9.0	4.8
Total: Oil Eq.	Mboe	32,114	521	32,636	29,801	1.000	32,636	100	40.5	9.7	5.0

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	48.61	-5.29	43.32	3.32	28.79	0.02	11.19	158,249	20	94,131	20
Tight Oil	\$/bbl	48.61	-6.98	41.63	1.93	10.07	0.00	29.63	70,568	9	43,438	9
Total: Total Oil	\$/bbl	48.61	-5.53	43.08	3.12	26.20	0.02	13.74	228,817	29	137,569	29
Solution Gas	\$/Mcf	2.12	-0.10	2.03	0.08	1.14	0.01	0.80	24,591	3	15,624	3
Residue Gas	\$/Mcf	2.12	0.12	2.24	0.05	2.07	0.00	0.12	301,644	38	175,407	37
Shale Gas	\$/Mcf	2.12	0.02	2.14	0.09	1.56	0.00	0.49	11,359	1	7,203	2
Total: Gas	\$/Mcf	2.12	0.08	2.21	0.06	1.93	0.00	0.22	337,594	42	198,234	42
Condensate	\$/bbl	51.39	-5.88	45.51	12.46	0.00	0.00	33.05	46,237	6	26,283	6
Field Condensate (NGL)	\$/bbl	51.43	-2.55	48.88	8.78	6.51	0.00	33.59	78,560	10	44,755	10
Butane	\$/bbl	25.00	-6.05	18.95	5.20	0.00	0.00	13.75	47,098	6	26,127	6
Propane	\$/bbl	23.85	-5.24	18.61	5.16	0.00	0.00	13.45	43,271	5	24,762	5
Ethane	\$/bbl	6.54	-0.83	5.71	-0.09	0.00	0.00	5.80	19,400	2	11,450	2
Total: NGL	\$/bbl	24.85	-3.67	21.17	4.69	0.85	0.00	15.64	234,565	29	133,377	28
Total: Oil+NGL	\$/bbl	32.84	-4.31	28.53	4.15	9.57	0.01	14.80	464,616	58	271,816	58
Total: Oil Eq.	\$/boe	20.47	-1.16	19.31	1.85	10.59	0.01	6.87	802,251	100	470,085	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax						Net Present Value After Income Tax							
	Initial		Average		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		Operating Income M\$	Capital Invest. M\$	Cash Flow	
	M\$	\$/boe	M\$	\$/boe					M\$	\$/boe			M\$	\$/boe
Crown Royalty	12.1296	9.8548	0	395,588	298,532	122,954	175,578	5.38	276,968	122,954	154,014	4.72		
Non-crown Royalty	1.1769	0.6703	5	307,906	265,688	111,206	154,482	4.73	249,830	111,206	138,623	4.25		
Mineral Tax	0.0289	0.0259	8	271,050	241,932	105,039	136,893	4.19	228,563	105,039	123,525	3.78		
			10	250,786	227,326	101,243	126,083	3.86	215,337	101,243	114,093	3.50		
			12	233,190	213,936	97,677	116,258	3.56	203,142	97,677	105,465	3.23		
			15	210,767	196,062	92,719	103,343	3.17	186,784	92,719	94,065	2.88		
			20	181,267	171,383	85,366	86,017	2.64	164,058	85,366	78,692	2.41		

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 13:02:37

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: After Tax Analysis (Summary)

Reserve Class: Probable
 Development Class: Total
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl
2020	1	3	85	16	14	43.68	11	2	2	41.64	96	18	16	43.44
2021	3	5	178	65	60	49.78	23	8	8	48.28	202	74	68	49.61
2022	6	5	550	201	180	60.36	54	20	19	58.29	604	221	199	60.17
2023	15	11	831	303	264	65.66	309	113	106	63.19	1,141	416	370	64.98
2024	19	13	700	255	215	66.97	596	217	206	64.41	1,297	473	421	65.78
2025	25	15	528	193	156	68.27	748	273	258	65.69	1,278	466	415	66.75
2026	22	13	397	145	117	69.30	558	204	191	67.01	957	349	308	67.95
2027	25	15	342	125	103	70.61	378	138	125	68.42	719	263	228	69.46
2028	30	19	307	112	95	72.08	297	108	96	69.79	603	220	191	70.95
2029	29	23	256	94	80	73.91	250	91	81	71.29	506	185	161	72.62
2030	28	27	231	84	73	75.32	208	76	67	72.64	439	160	140	74.05
2031	27	29	216	79	69	76.82	174	64	56	73.95	390	142	125	75.54
Sub.				1,671	1,425	67.29		1,314	1,215	67.02		2,987	2,642	67.17
Rem.				754	674	92.39		601	526	85.80		1,356	1,200	89.47
Tot.				2,425	2,099	75.10		1,916	1,741	72.92		4,343	3,841	74.13

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf
2020	175	32	29	1.99	1,644	300	282	2.16	65	12	11	2.12
2021	625	228	210	2.10	4,483	1,636	1,542	2.38	200	73	67	2.04
2022	1,674	611	568	2.21	4,369	1,595	1,490	2.65	352	128	121	2.46
2023	2,126	776	713	2.40	6,408	2,339	2,184	2.75	1,683	614	582	2.63
2024	2,314	845	765	2.45	13,655	4,984	4,672	2.86	2,602	950	903	2.71
2025	1,809	660	591	2.52	9,381	3,424	3,149	2.89	2,099	766	727	2.76
2026	1,567	572	511	2.58	9,255	3,378	3,114	2.95	1,539	562	533	2.82
2027	1,463	534	480	2.63	7,734	2,823	2,609	3.00	1,143	417	395	2.86
2028	1,416	517	464	2.69	7,035	2,568	2,360	3.05	933	340	322	2.91
2029	1,257	459	410	2.73	6,559	2,394	2,188	3.10	801	293	275	2.98
2030	1,167	426	381	2.78	6,406	2,338	2,150	3.15	668	244	229	3.07
2031	1,139	416	372	2.83	6,010	2,194	2,028	3.22	572	209	196	3.12
Sub.		6,075	5,494	2.53		29,973	27,768	2.92		4,608	4,361	2.79
Rem.		3,319	3,033	3.33		25,449	23,791	3.85		2,056	1,940	3.62
Tot.		9,393	8,528	2.81		55,421	51,559	3.35		6,664	6,301	3.04

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl
2020	1,884	344	322	2.14	18	3	3	50.03	14	2	2	45.48
2021	5,308	1,937	1,820	2.33	60	22	20	54.89	34	12	11	52.70
2022	6,395	2,334	2,179	2.52	61	22	19	64.24	61	22	19	61.24
2023	10,218	3,729	3,479	2.66	96	35	31	70.34	120	44	39	64.67
2024	18,572	6,779	6,340	2.79	206	75	66	72.63	200	73	65	65.54
2025	13,289	4,850	4,467	2.82	131	48	37	73.88	147	54	46	66.79
2026	12,361	4,512	4,158	2.89	134	49	39	75.44	117	43	36	68.69
2027	10,341	3,775	3,485	2.93	110	40	33	76.91	94	34	30	70.43
2028	9,383	3,425	3,146	2.98	97	35	29	78.49	83	30	26	72.11
2029	8,617	3,145	2,874	3.04	89	33	26	80.05	74	27	23	73.78
2030	8,241	3,008	2,760	3.09	85	31	25	81.56	67	25	21	75.52
2031	7,720	2,818	2,596	3.15	79	29	23	83.12	63	23	20	77.07
Sub.		40,656	37,624	2.84		422	350	74.20		390	336	68.01
Rem.		30,824	28,765	3.78		329	281	100.73		241	209	90.90
Tot.		71,479	66,388	3.25		751	631	85.82		631	544	76.74

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	21	4	3	16.56	38	7	6	17.55	44	8	8	5.78
2021	68	25	22	24.41	114	42	37	19.45	132	48	45	6.33
2022	85	31	27	32.66	129	47	39	22.17	143	52	49	6.89
2023	129	47	41	36.85	197	72	61	22.55	204	75	70	6.93
2024	215	79	69	37.15	330	120	103	21.76	274	100	93	6.90
2025	154	56	45	38.16	237	86	67	22.56	223	81	75	7.31
2026	144	52	43	40.37	216	79	61	23.74	226	82	77	7.43
2027	122	45	38	41.11	189	69	56	24.25	201	73	68	7.51
2028	111	40	34	41.86	175	64	52	24.74	189	69	64	7.63
2029	102	37	31	42.79	162	59	47	25.31	177	65	59	7.76
2030	96	35	29	43.81	151	55	44	25.93	166	60	56	7.89
2031	91	33	28	44.79	143	52	42	26.52	157	57	53	8.00
Sub.		484	410	38.67		752	615	23.39		771	716	7.31
Rem.		355	314	54.21		545	456	32.02		593	556	9.72
Tot.		839	725	45.25		1,298	1,071	27.02		1,364	1,272	8.36

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	135	25	22	20.76	231	42	38	30.21	545	100	92	20.21
2021	408	149	136	24.05	609	222	204	32.50	1,494	545	507	21.54
2022	479	175	152	29.81	1,084	396	351	46.74	2,149	785	714	31.07
2023	747	272	241	33.67	1,887	689	612	52.60	3,590	1,310	1,191	35.20
2024	1,225	447	396	36.83	2,521	920	817	51.72	5,617	2,050	1,873	32.43
2025	891	325	270	36.29	2,169	792	685	54.24	4,383	1,600	1,429	35.38
2026	837	305	256	36.76	1,793	654	564	53.40	3,853	1,406	1,257	34.12
2027	716	261	224	36.59	1,435	524	452	53.06	3,159	1,153	1,033	33.71
2028	654	239	204	36.67	1,257	459	395	53.12	2,821	1,030	919	33.59
2029	603	220	186	37.14	1,109	405	347	53.33	2,546	929	826	33.52
2030	565	206	175	37.92	1,004	366	315	53.72	2,377	868	775	33.41
2031	533	194	166	38.63	923	337	291	54.22	2,209	806	723	33.66
Sub.		2,819	2,427	35.40		5,806	5,069	51.74		12,582	11,340	33.07
Rem.		2,063	1,816	47.25		3,419	3,016	63.99		8,556	7,810	39.20
Tot.		4,882	4,244	40.41		9,225	8,085	56.28		21,138	19,150	35.55

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens															
	Working Interest				Royalty Interest	Company Interest	Royalty Interest Process.	Royalty Burdens Pre-Processing	Gas Processing Allowance		Total Royalty After Process.	Net Revenue After Royalty	Operating Expenses			
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$	Total M\$	Total M\$	Expense M\$	Crown M\$	Other M\$	Crown M\$	Other M\$	Process. M\$	Royalty M\$	Fixed M\$	Variable M\$	Total M\$
2020	755	725	506	1,986	26	2,011	6	154	19	41	4	128	1,877	66	444	511
2021	3,615	4,427	3,538	11,579	168	11,747	68	909	59	212	10	746	10,934	458	2,549	3,007
2022	13,217	5,775	5,157	24,149	224	24,373	72	2,516	85	353	11	2,236	22,064	692	4,296	4,987
2023	26,894	9,784	9,104	45,783	349	46,132	74	4,559	398	534	27	4,395	41,663	1,410	7,061	8,471
2024	30,613	18,717	16,358	65,688	803	66,491	93	6,314	573	857	38	5,993	60,404	2,292	10,568	12,860
2025	29,809	13,446	11,648	54,903	1,704	56,607	118	6,621	432	870	41	6,142	50,347	3,177	7,974	11,151
2026	22,607	12,904	11,119	46,630	1,360	47,990	34	5,769	330	808	33	5,257	42,698	2,850	6,875	9,725
2027	17,528	10,950	9,480	37,958	907	38,865	35	4,655	305	637	34	4,289	34,541	3,506	5,914	9,420
2028	15,077	10,086	8,664	33,826	756	34,582	44	4,161	337	586	39	3,873	30,665	4,101	5,397	9,498
2029	12,964	9,441	8,098	30,503	641	31,143	44	3,852	323	586	38	3,550	27,550	4,166	4,989	9,155
2030	11,465	9,208	7,745	28,418	570	28,988	36	3,477	296	543	34	3,196	25,755	4,417	4,807	9,224
2031	10,392	8,786	7,433	26,612	534	27,146	40	3,167	268	496	33	2,907	24,199	4,478	4,585	9,063
Sub.	194,936	114,249	98,849	408,034	8,041	416,075	665	46,153	3,424	6,524	342	42,712	372,698	31,613	65,459	97,072
Rem.	117,649	115,581	96,739	329,969	5,408	335,377	505	34,189	2,217	4,653	343	31,410	303,462	121,716	58,962	180,679
Tot.	312,585	229,830	195,587	738,003	13,449	751,452	1,169	80,342	5,642	11,177	685	74,123	676,160	153,329	124,421	277,750
Disc	137,799	85,874	73,676	297,349	5,495	302,845	517	32,454	2,348	4,576	248	29,977	272,350	33,798	48,926	82,723

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	1,367	42	0	1,409	3,280	147	357	3,784	-2,376	-2,376	-2,320
2021	1	0	-1	7,927	266	0	8,193	2,846	260	173	3,279	4,914	2,538	2,147
2022	3	0	-2	17,077	943	0	18,020	7,555	1,123	1,533	10,211	7,809	10,347	8,601
2023	3	0	-3	33,191	669	0	33,860	36,550	3,575	8,736	48,861	-15,001	-4,654	-2,669
2024	6	0	-3	47,542	747	0	48,289	19,885	1,014	2,270	23,169	25,120	20,466	14,488
2025	6	0	-3	39,193	684	-252	40,129	5,612	279	293	6,184	33,946	54,412	35,565
2026	4	0	-3	32,972	537	-131	33,640	4,332	309	413	5,054	28,586	82,998	51,701
2027	4	0	-3	25,120	533	-404	26,057	0	0	0	0	26,057	109,055	65,073
2028	4	0	-4	21,166	522	-293	21,981	0	0	0	0	21,981	131,036	75,327
2029	4	0	-4	18,394	500	-665	19,560	0	0	0	0	19,560	150,596	83,623
2030	4	0	-4	16,531	481	582	16,430	0	0	0	0	16,430	167,026	89,957
2031	4	0	-5	15,137	474	-603	16,213	0	0	0	0	16,213	183,239	95,640
Sub.	43	0	-34	275,617	6,399	-1,766	283,782	80,060	6,707	13,775	100,542	183,239	183,239	95,640
Rem.	84	0	-128	122,827	3,899	14,367	112,359	0	0	0	0	112,359	295,599	121,574
Tot.	127	0	-162	398,444	10,298	12,601	396,141	80,060	6,707	13,775	100,542	295,599	295,599	121,574
Disc	37	0	-34	189,624	4,629	-1,663	195,917	59,006	5,034	10,302	74,342	121,574	121,574	121,574

AFTER TAX ANALYSIS

Year	Oper. Income M\$	Tax Pool Balances Incl. Current Year Additions					Depreciation & Writeoffs					Total M\$
		CCA M\$	COGPE M\$	CDE M\$	CEE M\$	Other M\$	CCA M\$	COGPE M\$	CDE M\$	CEE M\$	Other M\$	
2020	1,409	504	0	3,280	0	0	189	0	1,476	0	-257	1,409
2021	8,193	748	0	4,650	0	257	241	0	1,822	0	6,130	8,193
2022	18,020	3,163	0	10,383	0	-5,873	1,123	0	4,248	0	12,649	18,020
2023	33,860	14,351	0	42,685	0	-18,522	5,127	0	18,288	0	-18,522	4,892
2024	48,289	12,509	0	44,282	0	0	3,127	0	14,776	0	0	17,903
2025	40,129	9,953	0	35,118	0	0	2,488	0	10,956	0	0	13,445
2026	33,640	8,187	0	28,494	0	0	2,047	0	8,873	0	0	10,920
2027	26,057	6,140	0	19,621	0	0	1,535	0	5,886	0	0	7,421
2028	21,981	4,605	0	13,735	0	0	1,151	0	4,120	0	0	5,272
2029	19,560	3,454	0	9,614	0	0	863	0	2,884	0	0	3,748
2030	16,430	2,590	0	6,730	0	0	648	0	2,019	0	0	2,667
2031	16,213	1,943	0	4,711	0	0	486	0	1,413	0	0	1,899
Sub.	283,782	1,943	0	4,711	0	0	19,025	0	76,763	0	0	95,788
Rem.	112,359	1,943	0	4,711	0	0	1,457	0	3,298	0	0	4,755
Tot.	396,141	1,943	0	4,711	0	0	20,482	0	80,060	0	0	100,542
Disc	195,917						12,495	0	50,559	0	1,860	64,914

AFTER TAX ANALYSIS

Year	Federal		Provincial		ARTD & Investment Credits	Income Tax Payable M\$	Net Cash Flow Before Income Tax			Net Cash Flow After Income Tax			
	Taxable Income M\$	Tax Rate %	Income Tax M\$	Tax Rate %			Annual M\$	Cum. M\$	10.0% Dcf M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$	
2020	0	15.0	0	10.0	0	0	-2,376	-2,376	-2,320	-2,376	-2,376	-2,320	
2021	0	15.0	0	9.0	0	0	4,914	2,538	2,147	4,914	2,538	2,147	
2022	0	15.0	0	8.1	0	0	7,809	8,601	7,809	10,347	8,601	8,601	
2023	28,968	15.0	4,345	8.1	2,338	0	6,683	-15,001	-4,654	-2,669	-21,684	-11,337	-7,690
2024	30,386	15.0	4,558	8.1	2,452	0	7,010	25,120	20,466	14,488	18,110	6,773	4,679
2025	26,685	15.0	4,003	8.1	2,153	0	6,156	33,946	54,412	35,565	27,790	34,563	21,934
2026	22,721	15.0	3,408	8.1	1,834	0	5,242	28,586	82,998	51,701	23,344	57,907	35,111
2027	18,636	15.0	2,795	8.1	1,504	0	4,299	26,057	109,055	65,073	21,758	79,665	46,277
2028	16,709	15.0	2,506	8.1	1,348	0	3,855	21,981	131,036	75,327	18,126	97,791	54,733
2029	15,812	15.0	2,372	8.1	1,276	0	3,648	19,560	150,596	83,623	15,912	113,703	61,481
2030	13,764	15.0	2,065	8.1	1,111	0	3,175	16,430	167,026	89,957	13,255	126,958	66,591
2031	14,315	15.0	2,147	8.1	1,155	0	3,302	16,213	183,239	95,640	12,911	139,869	71,116
Sub.	187,995		28,199		15,171	0	43,370	183,239	183,239	95,640	139,869	139,869	71,116
Rem.	107,605		15,055		8,100	0	23,155	112,359	295,599	121,574	89,204	229,073	91,866
Tot.	295,600		43,255		23,271	0	66,526	295,599	295,599	121,574	229,073	229,073	91,866
Disc	131,003		19,316		10,392	0	29,709	121,574	121,574	121,574	91,866	91,866	91,866

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	2,415	10	2,425	2,099	1.000	2,425	11	60.5	78.2	7.3
Tight Oil	Mbbl	1,800	116	1,916	1,741	1.000	1,916	9	27.5	467.9	7.9
Total: Total Oil	Mbbl	4,215	126	4,341	3,840	1.000	4,341	21	60.5	123.6	7.6
Solution Gas	MMcf	9,350	43	9,393	8,528	6.000	1,566	7	60.5	147.2	8.8
Residue Gas	MMcf	54,864	558	55,421	51,559	6.000	9,237	44	60.5	92.3	11.0
Shale Gas	MMcf	6,470	194	6,664	6,301	6.000	1,111	5	27.5	282.9	7.5
Total: Gas	MMcf	70,684	795	71,479	66,388	6.000	11,913	56	60.5	104.0	10.3
Gas Heat Content	BBtu	76,412	837	77,249	71,735	0.000	0	0	60.5	103.9	10.3
Condensate	Mbbl	619	11	631	544	1.000	631	3	60.5	127.9	9.0
Field Condensate (NGL)	Mbbl	749	2	751	631	1.000	751	4	60.5	112.2	10.4
Butane	Mbbl	831	8	839	725	1.000	839	4	60.5	108.7	10.1
Propane	Mbbl	1,290	7	1,298	1,071	1.000	1,298	6	60.5	93.8	10.1
Ethane	Mbbl	1,352	11	1,364	1,272	1.000	1,364	6	60.5	84.8	10.5
Total: NGL	Mbbl	4,842	41	4,882	4,244	1.000	4,882	23	60.5	99.1	10.1
Total: Oil+NGL	Mbbl	9,058	167	9,225	8,085	1.000	9,225	44	60.5	109.3	8.8
Total: Oil Eq.	Mboe	20,839	299	21,138	19,150	1.000	21,138	100	60.5	106.2	9.6

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	48.61	-4.93	43.68	3.35	5.50	0.01	34.83	157,492	23	70,536	26
Tight Oil	\$/bbl	48.61	-6.97	41.64	1.91	5.72	0.00	34.01	126,417	19	54,779	20
Total: Total Oil	\$/bbl	48.61	-5.16	43.45	3.18	5.52	0.00	34.74	283,910	42	125,314	46
Solution Gas	\$/Mcf	2.12	-0.13	1.99	0.09	1.38	0.00	0.52	25,142	4	10,694	4
Residue Gas	\$/Mcf	2.12	0.03	2.16	0.07	1.12	0.00	0.97	177,900	26	64,005	24
Shale Gas	\$/Mcf	2.12	0.00	2.12	0.09	0.72	0.00	1.32	19,154	3	8,448	3
Total: Gas	\$/Mcf	2.12	0.02	2.14	0.07	1.13	0.00	0.94	222,196	33	83,147	31
Condensate	\$/bbl	51.39	-5.91	45.48	4.58	0.00	0.00	40.90	42,511	6	17,071	6
Field Condensate (NGL)	\$/bbl	51.40	-1.37	50.03	5.24	7.37	0.00	37.42	54,511	8	19,729	7
Butane	\$/bbl	25.00	-8.44	16.56	2.36	0.00	0.00	14.19	33,228	5	12,123	4
Propane	\$/bbl	23.85	-6.30	17.55	2.19	0.00	0.00	15.36	28,684	4	10,770	4
Ethane	\$/bbl	6.54	-0.76	5.78	0.07	0.00	0.00	5.71	11,040	2	4,131	2
Total: NGL	\$/bbl	24.88	-4.12	20.76	2.18	1.00	0.00	17.58	169,974	25	63,823	23
Total: Oil+NGL	\$/bbl	34.77	-4.56	30.21	2.59	2.89	0.00	24.72	453,994	67	189,207	69
Total: Oil Eq.	\$/boe	21.89	-1.69	20.21	1.35	4.88	0.00	13.98	676,192	100	272,356	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax						Net Present Value After Income Tax					
	Initial	Average	Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		Operating Income M\$	Capital Invest. M\$	Cash Flow	
							M\$	\$/boe			M\$	\$/boe
Crown Royalty	7.7414	10.8865	0	398,444	396,141	100,542	295,599	13.98	329,615	100,542	229,073	10.84
Non-crown Royalty	0.9509	0.7644	5	262,641	270,213	86,009	184,205	8.71	227,402	86,009	141,393	6.69
Mineral Tax	0.0110	0.0172	8	214,240	221,227	78,714	142,514	6.74	187,105	78,714	108,392	5.13
			10	189,624	195,917	74,342	121,574	5.75	166,208	74,342	91,866	4.35
			12	169,356	174,961	70,319	104,643	4.95	148,866	70,319	78,547	3.72
			15	144,980	149,687	64,860	84,827	4.01	127,893	64,860	63,033	2.98
			20	115,310	118,910	57,066	61,844	2.93	102,251	57,066	45,185	2.14

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 13:02:37

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: After Tax Analysis (Summary)

Reserve Class: Proved Plus Probable
 Development Class: Producing
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl
2020	103	194	1,093	199	184	43.33	169	31	29	41.64	1,272	232	215	43.06
2021	67	137	851	311	283	49.44	114	42	40	47.77	965	352	323	49.25
2022	67	137	704	257	228	59.78	79	29	27	58.19	783	286	256	59.62
2023	66	136	607	222	196	64.83	60	22	20	63.29	667	244	216	64.69
2024	63	130	535	195	174	66.06	45	17	14	64.38	580	212	189	65.93
2025	62	125	473	173	155	67.33	38	14	11	65.67	511	186	166	67.20
2026	54	119	382	139	125	68.54	32	12	9	66.98	414	151	135	68.41
2027	53	119	344	126	112	69.90	28	10	8	68.33	373	136	120	69.78
2028	52	116	311	113	102	71.32	25	9	7	69.69	336	123	109	71.20
2029	46	114	261	95	86	73.02	23	8	7	71.08	284	104	92	72.87
2030	42	106	238	87	78	74.45	0	0	0	0.00	238	87	78	74.45
2031	40	102	215	78	71	75.89	0	0	0	0.00	215	78	71	75.89
Sub.				1,995	1,794	62.17		193	173	57.12		2,191	1,969	61.70
Rem.				589	524	93.72		0	0	0.00		589	524	93.72
Tot.				2,584	2,317	69.36		193	173	57.12		2,780	2,493	68.48

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf
2020	4,650	849	760	2.02	25,519	4,657	4,283	2.23	1,140	208	197	2.14
2021	3,665	1,338	1,198	2.21	20,561	7,505	6,893	2.39	797	291	275	2.28
2022	3,045	1,111	994	2.47	18,478	6,744	6,195	2.64	568	207	196	2.52
2023	2,595	947	847	2.53	16,669	6,084	5,593	2.69	441	161	152	2.57
2024	2,239	817	732	2.58	14,952	5,458	5,021	2.74	300	110	104	2.71
2025	1,878	686	616	2.64	13,467	4,916	4,524	2.80	252	92	86	2.77
2026	1,607	587	527	2.69	12,024	4,389	4,045	2.86	218	79	74	2.82
2027	1,423	519	474	2.75	11,118	4,058	3,813	2.91	191	70	65	2.88
2028	1,284	469	429	2.80	10,204	3,724	3,500	2.97	171	63	58	2.94
2029	1,070	391	356	2.85	9,357	3,415	3,211	3.03	154	56	52	3.00
2030	966	353	322	2.90	8,407	3,069	2,885	3.09	6	2	2	2.98
2031	876	320	291	2.96	7,704	2,812	2,647	3.15	6	2	2	3.04
Sub.		8,386	7,546	2.52		56,831	52,610	2.73		1,342	1,262	2.52
Rem.		1,839	1,713	3.50		19,943	18,753	3.62		9	9	3.39
Tot.		10,225	9,260	2.70		76,774	71,364	2.96		1,350	1,271	2.53

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl
2020	31,357	5,723	5,248	2.20	273	50	40	48.54	235	43	31	45.57
2021	25,023	9,133	8,366	2.36	222	81	62	55.07	182	66	46	51.77
2022	22,091	8,063	7,385	2.61	198	72	53	64.15	156	57	39	60.93
2023	19,706	7,193	6,592	2.67	177	65	48	69.42	136	50	33	66.23
2024	17,492	6,384	5,857	2.72	159	58	43	70.88	118	43	29	67.68
2025	15,598	5,693	5,226	2.78	141	51	39	72.39	105	38	25	69.12
2026	13,850	5,055	4,646	2.84	127	46	35	73.96	91	33	22	70.68
2027	12,733	4,647	4,353	2.89	116	42	38	75.51	84	31	27	72.18
2028	11,659	4,256	3,986	2.95	105	38	35	77.13	77	28	25	73.70
2029	10,582	3,862	3,619	3.01	95	35	31	78.80	70	25	23	75.25
2030	9,380	3,424	3,209	3.07	86	31	28	80.47	59	21	19	77.25
2031	8,586	3,134	2,941	3.13	78	28	26	82.06	54	20	18	78.79
Sub.		66,568	61,427	2.70		598	479	68.50		456	336	64.64
Rem.		21,791	20,475	3.61		197	178	95.81		143	129	90.16
Tot.		88,359	81,902	2.93		795	657	75.26		598	464	70.72

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	387	71	52	19.10	632	115	84	18.81	766	140	130	5.70
2021	307	112	82	25.34	503	184	133	19.23	626	229	213	6.12
2022	272	99	72	33.62	447	163	117	22.38	558	204	190	6.78
2023	242	88	64	39.06	400	146	105	23.54	500	183	170	6.93
2024	215	79	57	40.19	356	130	93	24.02	445	163	152	7.07
2025	191	70	51	40.96	315	115	83	24.51	393	143	134	7.22
2026	169	62	45	41.97	279	102	73	25.10	349	127	119	7.37
2027	155	57	52	42.78	256	93	83	25.61	320	117	110	7.52
2028	142	52	47	43.59	233	85	75	26.11	290	106	99	7.67
2029	127	47	43	44.43	209	76	68	26.62	261	95	89	7.83
2030	114	41	38	45.42	186	68	60	27.18	230	84	79	7.99
2031	104	38	35	46.33	170	62	55	27.74	210	77	72	8.16
Sub.		815	637	36.79		1,340	1,027	23.51		1,667	1,558	7.02
Rem.		264	243	53.81		427	377	32.44		522	492	9.66
Tot.		1,078	880	40.95		1,767	1,404	25.67		2,188	2,050	7.65

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	2,293	418	337	20.76	3,565	651	552	28.72	8,791	1,604	1,427	19.48
2021	1,841	672	537	23.33	2,806	1,024	860	32.24	6,977	2,546	2,254	21.43
2022	1,630	595	471	27.66	2,413	881	727	38.03	6,095	2,225	1,958	24.52
2023	1,456	532	420	29.99	2,124	775	636	40.89	5,408	1,974	1,735	25.78
2024	1,294	472	374	30.61	1,874	684	562	41.54	4,789	1,748	1,538	26.18
2025	1,146	418	331	31.32	1,657	605	497	42.38	4,256	1,554	1,368	26.67
2026	1,015	370	294	32.01	1,429	522	428	42.56	3,738	1,364	1,203	26.79
2027	932	340	309	32.66	1,304	476	429	43.26	3,426	1,251	1,155	27.22
2028	846	309	281	33.38	1,182	432	390	44.13	3,126	1,141	1,055	27.70
2029	762	278	254	34.13	1,046	382	346	44.65	2,809	1,025	949	27.95
2030	674	246	225	34.83	912	333	303	45.15	2,475	903	837	28.27
2031	615	225	205	35.52	830	303	276	45.98	2,261	825	766	28.77
Sub.		4,876	4,037	29.46		7,066	6,007	39.45		18,161	16,244	25.25
Rem.		1,552	1,419	41.75		2,141	1,942	56.05		5,773	5,355	34.42
Tot.		6,428	5,456	32.43		9,207	7,949	43.31		23,934	21,599	27.46

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens															
	Working Interest				Royalty Interest	Company Interest	Royalty Interest Process.	Royalty Burdens Pre-Processing	Gas Processing Allowance		Total Royalty After Process.	Net Revenue After Royalty	Operating Expenses			
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$	Total M\$	Total M\$	Expense M\$	Crown M\$	Other M\$	Crown M\$	Other M\$	Process. M\$	Royalty M\$	Fixed M\$	Variable M\$	Total M\$
2020	9,802	12,101	8,447	30,350	897	31,247	304	3,788	382	1,297	68	2,805	28,138	9,483	8,193	17,675
2021	17,018	20,819	15,273	53,109	1,457	54,566	428	7,010	668	2,091	106	5,482	48,656	12,982	13,204	26,186
2022	16,734	20,362	16,043	53,140	1,401	54,541	372	7,691	677	1,830	95	6,444	47,726	12,570	11,655	24,226
2023	15,497	18,589	15,547	49,633	1,256	50,889	332	7,475	632	1,634	87	6,386	44,171	12,706	10,547	23,253
2024	13,739	16,829	14,105	44,673	1,097	45,770	282	6,641	567	1,422	76	5,709	39,779	12,388	9,533	21,921
2025	12,336	15,355	12,792	40,482	955	41,437	255	6,037	494	1,294	69	5,168	36,014	12,179	8,675	20,853
2026	10,178	14,007	11,619	35,803	746	36,549	153	5,328	429	1,172	58	4,528	31,868	11,227	7,580	18,807
2027	9,339	13,136	10,881	33,356	688	34,043	143	2,791	400	509	55	2,627	31,273	11,364	7,085	18,449
2028	8,605	12,275	10,105	30,986	620	31,606	134	2,507	376	460	52	2,371	29,101	11,285	6,586	17,870
2029	7,436	11,367	9,300	28,103	559	28,662	125	2,222	352	420	49	2,105	26,432	10,685	6,030	16,715
2030	6,364	10,287	8,409	25,060	483	25,543	108	1,877	331	381	46	1,780	23,655	9,589	5,488	15,077
2031	5,873	9,610	7,823	23,306	440	23,746	100	1,703	294	350	41	1,606	22,040	9,413	5,110	14,523
Sub.	132,921	174,736	140,345	448,001	10,597	458,598	2,734	55,070	5,601	12,860	801	47,010	408,854	135,870	99,685	235,555
Rem.	54,551	77,403	63,838	195,792	2,921	198,713	758	15,990	2,269	2,891	384	14,984	182,972	94,297	42,463	136,759
Tot.	187,471	252,139	204,183	643,793	13,518	657,311	3,492	71,060	7,870	15,751	1,186	61,993	591,826	230,167	142,148	372,314
Disc	99,093	130,362	103,662	333,118	7,879	340,997	2,099	40,902	4,098	9,822	604	34,575	304,323	103,299	75,126	178,425

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$		Oper. Income M\$	Net Capital Investment M\$				Before Tax Cash Flow M\$		
						Dev. M\$	Plant M\$		Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$		
2020	9	0	-12	10,465	1,884	1,782	10,567	60	34	45	139	10,428	10,428	10,182	
2021	19	0	-25	22,476	2,646	1,800	23,322	0	0	0	0	23,322	33,750	31,384	
2022	28	0	-26	23,498	2,232	1,836	23,894	0	0	0	0	23,894	57,644	51,131	
2023	26	0	-25	20,917	1,873	1,873	20,917	0	0	0	0	20,917	78,561	66,846	
2024	24	0	-23	17,857	1,571	1,910	17,517	0	0	0	0	17,517	96,078	78,811	
2025	21	0	-21	15,160	1,335	13,772	2,724	0	0	0	0	2,724	98,802	80,502	
2026	18	0	-19	13,063	1,147	2,460	11,750	0	0	0	0	11,750	110,552	87,135	
2027	16	0	-23	12,830	1,063	2,778	11,115	0	0	0	0	11,115	121,667	92,838	
2028	16	0	-21	11,237	976	3,712	8,500	0	0	0	0	8,500	130,167	96,804	
2029	14	0	-20	9,724	881	4,519	6,086	0	0	0	0	6,086	136,253	99,385	
2030	13	0	-19	8,584	749	4,186	5,147	0	0	0	0	5,147	141,400	101,369	
2031	11	0	-18	7,524	679	2,767	5,436	0	0	0	0	5,436	146,837	103,275	
Sub.	215	0	-251	173,335	17,036	43,396	146,976	60	34	45	139	146,837	146,837	103,275	
Rem.	135	0	-248	46,325	4,992	69,936	-18,619	0	0	0	0	-18,619	128,217	105,525	
Tot.	350	0	-499	219,660	22,028	113,331	128,356	60	34	45	139	128,217	128,217	105,525	
Disc	161	0	-195	125,933	12,923	33,195	105,661	59	33	44	136	105,525	105,525	105,525	

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company		Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
				Net	Net						
Light/Med Oil	Mbbl	2,547	37	2,584	2,317	1,000	2,584	11	60.5	6.5	5.6
Tight Oil	Mbbl	188	5	193	173	1,000	193	1	9.5	3.1	2.8
Total: Total Oil	Mbbl	2,735	42	2,777	2,491	1,000	2,777	12	60.5	6.0	5.4
Solution Gas	MMcf	10,070	155	10,225	9,260	6,000	1,704	7	60.5	6.0	5.1
Residue Gas	MMcf	74,665	2,109	76,774	71,364	6,000	12,796	53	60.5	8.2	6.7
Shale Gas	MMcf	1,287	63	1,350	1,271	6,000	225	1	24.5	3.2	2.8
Total: Gas	MMcf	86,023	2,326	88,349	81,894	6,000	14,725	62	60.5	7.7	6.4
Gas Heat Content	BBtu	92,274	2,465	94,739	87,776	0.000	0	0	60.5	7.7	6.4
Condensate	Mbbl	580	18	598	464	1,000	598	3	60.5	7.0	6.1
Field Condensate (NGL)	Mbbl	785	10	795	657	1,000	795	3	60.5	8.0	6.4
Butane	Mbbl	1,048	30	1,078	880	1,000	1,078	5	60.5	7.6	6.3
Propane	Mbbl	1,738	30	1,767	1,404	1,000	1,767	7	60.5	7.7	6.3
Ethane	Mbbl	2,138	50	2,188	2,050	1,000	2,188	9	60.5	7.8	6.3
Total: NGL	Mbbl	6,289	139	6,428	5,456	1,000	6,428	27	60.5	7.7	6.3
Total: Oil+NGL	Mbbl	9,026	181	9,207	7,948	1,000	9,207	38	60.5	7.1	6.0
Total: Oil Eq.	Mboe	23,365	569	23,934	21,599	1,000	23,934	100	60.5	7.5	6.2

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties					
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total	
Light/Med Oil	\$/bbl	48.61	-5.28	43.33	3.37	28.06	0.02	11.89	159,692	27	83,085	27	
Tight Oil	\$/bbl	48.61	-6.97	41.64	1.93	9.63	0.00	30.08	9,791	2	7,343	2	
Total: Total Oil	\$/bbl	48.61	-5.50	43.11	3.18	25.62	0.02	14.30	169,482	29	90,428	30	
Solution Gas	\$/Mcf	2.12	-0.10	2.02	0.08	1.15	0.00	0.79	25,965	4	14,725	5	
Residue Gas	\$/Mcf	2.12	0.10	2.23	0.05	2.13	0.00	0.05	219,059	37	112,007	37	
Shale Gas	\$/Mcf	2.12	0.01	2.14	0.09	1.54	0.00	0.50	3,236	1	2,411	1	
Total: Gas	\$/Mcf	2.12	0.07	2.19	0.06	1.96	0.00	0.17	248,260	42	129,143	42	
Condensate	\$/bbl	51.39	-5.82	45.57	13.18	0.00	0.00	32.38	34,065	6	16,582	5	
Field Condensate (NGL)	\$/bbl	51.43	-2.89	48.54	9.74	6.24	0.00	32.56	50,079	8	24,327	8	
Butane	\$/bbl	25.00	-5.90	19.10	5.47	0.00	0.00	13.64	37,143	6	17,406	6	
Propane	\$/bbl	23.85	-5.04	18.81	5.43	0.00	0.00	13.38	36,377	6	17,787	6	
Ethane	\$/bbl	6.54	-0.84	5.70	-0.09	0.00	0.00	5.80	16,403	3	8,580	3	
Total: NGL	\$/bbl	24.37	-3.61	20.76	4.90	0.74	0.00	15.12	174,067	29	84,682	28	
Total: Oil+NGL	\$/bbl	33.02	-4.30	28.72	4.28	9.81	0.01	14.62	343,638	58	175,190	58	
Total: Oil Eq.	\$/boe	20.72	-1.25	19.48	1.94	10.82	0.01	6.71	591,924	100	304,358	100	

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
	Crown Royalty	12.4803					11.0377	0
Non-crown Royalty	1.2583	1.2224	5	159,528	123,041	137	122,904	5.14
Mineral Tax	0.0309	0.0544	8	137,458	112,392	136	112,256	4.69
			10	125,933	105,661	136	105,525	4.41
			12	116,245	99,510	135	99,375	4.15
			15	104,307	91,402	134	91,268	3.81
			20	89,257	80,457	133	80,324	3.36

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 13:02:38

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: After Tax Analysis (Summary)

Reserve Class: Proved Plus Probable
 Development Class: Total
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl
2020	104	202	1,139	208	192	43.34	182	33	32	41.63	1,331	243	226	43.06
2021	70	153	968	353	324	49.48	135	49	47	47.75	1,102	402	371	49.27
2022	81	167	1,461	533	482	60.07	350	128	121	58.21	1,817	663	606	59.69
2023	94	175	1,869	682	603	65.29	974	356	338	63.22	2,863	1,045	947	64.54
2024	95	170	1,412	515	442	66.59	1,199	438	416	64.46	2,626	958	863	65.57
2025	93	163	1,056	385	327	67.85	1,079	394	373	65.75	2,147	784	704	66.76
2026	85	159	822	300	257	69.13	783	286	269	67.08	1,614	589	529	68.09
2027	83	159	697	254	220	70.47	540	197	181	68.45	1,237	452	401	69.59
2028	82	155	608	222	195	71.86	423	155	138	69.82	1,031	376	333	71.03
2029	76	154	517	189	167	73.45	349	127	114	71.23	866	316	281	72.55
2030	72	144	463	169	151	74.89	292	107	95	72.60	755	275	246	74.00
2031	67	140	415	151	136	76.36	246	90	80	73.95	661	241	216	75.46
Sub.				3,962	3,496	64.66		2,358	2,202	65.58		6,345	5,722	64.97
Rem.				1,114	1,002	90.73		705	623	84.76		1,820	1,625	88.41
Tot.				5,077	4,499	70.38		3,064	2,825	69.99		8,165	7,348	70.20

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf
2020	4,688	856	767	2.02	29,485	5,381	4,968	2.24	1,171	214	202	2.14
2021	4,033	1,472	1,325	2.20	38,850	14,180	13,218	2.42	843	308	291	2.28
2022	5,462	1,994	1,827	2.36	37,083	13,535	12,571	2.67	1,936	707	670	2.56
2023	6,012	2,194	2,010	2.45	42,136	15,380	14,296	2.72	4,262	1,556	1,478	2.63
2024	5,062	1,848	1,677	2.50	40,929	14,939	13,916	2.79	4,344	1,585	1,508	2.70
2025	3,915	1,429	1,289	2.56	31,658	11,555	10,701	2.84	3,163	1,154	1,096	2.76
2026	3,262	1,191	1,074	2.61	28,420	10,373	9,595	2.90	2,301	840	797	2.82
2027	2,834	1,034	942	2.66	24,530	8,953	8,346	2.95	1,705	622	589	2.87
2028	2,531	924	842	2.71	21,714	7,926	7,379	3.01	1,382	505	476	2.93
2029	2,190	799	728	2.76	19,415	7,086	6,595	3.06	1,163	424	400	2.99
2030	1,991	727	662	2.81	17,324	6,323	5,896	3.13	978	357	336	3.06
2031	1,829	667	608	2.86	15,655	5,714	5,340	3.19	842	307	289	3.12
Sub.		15,135	13,752	2.50		121,346	112,820	2.79		8,579	8,134	2.74
Rem.		4,344	3,996	3.30		42,712	40,042	3.72		2,456	2,320	3.57
Tot.		19,478	17,748	2.68		164,058	152,862	3.03		11,035	10,454	2.92

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl	Daily bbl/d	Yearly Mmbl	Mmbl	\$/bbl
2020	35,390	6,459	5,945	2.20	334	61	50	48.94	261	48	35	45.51
2021	43,727	15,960	14,835	2.39	484	177	152	55.70	268	98	76	52.26
2022	44,482	16,236	15,068	2.63	465	170	143	64.75	313	114	90	61.01
2023	52,415	19,131	17,785	2.68	521	190	163	70.25	421	154	126	65.57
2024	50,338	18,373	17,102	2.75	514	188	161	72.03	423	154	128	66.53
2025	38,738	14,139	13,087	2.80	379	138	112	73.38	317	116	92	68.05
2026	33,985	12,405	11,466	2.87	344	126	101	74.95	257	94	73	69.81
2027	29,069	10,610	9,878	2.92	292	107	91	76.47	214	78	68	71.47
2028	25,627	9,354	8,698	2.97	256	93	79	78.06	186	68	59	73.08
2029	22,767	8,310	7,724	3.03	227	83	70	79.71	164	60	52	74.69
2030	20,293	7,407	6,894	3.09	202	74	63	81.38	145	53	46	76.27
2031	18,326	6,689	6,237	3.15	183	67	57	82.99	130	48	42	77.82
Sub.		145,073	134,718	2.76		1,472	1,242	70.52		1,083	886	66.23
Rem.		49,512	46,358	3.68		528	462	97.70		358	315	89.47
Tot.		194,585	181,076	2.99		2,000	1,704	77.70		1,441	1,201	72.00

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	433	79	60	18.83	712	130	97	18.55	828	151	141	5.71
2021	522	190	155	25.66	830	303	242	19.26	1,017	371	348	6.19
2022	532	194	159	33.87	818	299	238	22.36	1,002	366	343	6.85
2023	603	220	184	38.68	916	334	272	23.27	1,093	399	375	6.97
2024	568	207	172	39.01	872	318	256	23.12	947	346	324	7.06
2025	436	159	126	40.08	672	245	189	23.82	767	280	262	7.28
2026	382	139	110	41.39	586	214	163	24.54	688	251	235	7.42
2027	328	120	105	42.22	508	186	157	25.06	599	219	205	7.55
2028	289	105	92	43.05	450	164	139	25.56	530	194	181	7.70
2029	256	94	82	43.91	399	146	123	26.07	472	172	161	7.85
2030	228	83	73	44.81	355	130	110	26.59	417	152	142	7.99
2031	206	75	67	45.72	322	117	100	27.14	378	138	129	8.12
Sub.		1,667	1,386	37.54		2,586	2,085	23.37		3,039	2,847	7.11
Rem.		569	512	53.17		874	746	31.55		1,003	944	9.51
Tot.		2,236	1,897	41.52		3,460	2,831	25.44		4,042	3,791	7.71

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	2,569	469	383	21.15	3,901	712	609	28.63	9,800	1,788	1,600	19.36
2021	3,120	1,139	973	24.55	4,223	1,541	1,344	31.00	11,510	4,201	3,816	20.46
2022	3,129	1,142	973	29.51	4,946	1,805	1,579	40.59	12,360	4,511	4,090	25.69
2023	3,554	1,297	1,120	32.77	6,417	2,342	2,067	46.95	15,153	5,531	5,031	29.17
2024	3,325	1,214	1,041	34.35	5,951	2,172	1,904	48.13	14,340	5,234	4,754	29.64
2025	2,570	938	782	34.38	4,717	1,722	1,485	49.12	11,174	4,078	3,667	30.45
2026	2,257	824	682	35.01	3,871	1,413	1,211	48.80	9,535	3,480	3,122	30.02
2027	1,942	709	626	35.40	3,179	1,160	1,026	48.71	8,024	2,929	2,673	29.87
2028	1,711	624	551	35.99	2,742	1,001	884	49.17	7,013	2,560	2,334	30.09
2029	1,517	554	488	36.67	2,383	870	769	49.71	6,178	2,255	2,056	30.35
2030	1,348	492	434	37.48	2,102	767	680	50.59	5,484	2,002	1,829	30.83
2031	1,219	445	394	38.18	1,880	686	610	51.29	4,934	1,801	1,650	31.25
Sub.		9,847	8,445	32.52		16,192	14,168	45.23		40,371	36,621	28.05
Rem.		3,331	2,978	45.31		5,151	4,604	60.54		13,403	12,330	36.85
Tot.		13,178	11,424	35.75		21,343	18,771	48.93		53,774	48,951	30.25

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens															
	Working Interest				Royalty Interest	Company Interest	Royalty Interest Process.	Royalty Burdens Pre-Processing	Gas Processing Allowance		Total Royalty After Process.	Net Revenue After Royalty	Operating Expenses			
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$	Total M\$	Total M\$	Expense M\$	Crown M\$	Other M\$	Crown M\$	Other M\$	Process. M\$	Royalty M\$	Fixed M\$	Variable M\$	Total M\$
2020	10,262	13,779	9,677	33,717	909	34,627	305	4,003	392	1,373	71	2,951	31,371	9,639	9,132	18,772
2021	19,465	37,446	27,544	84,455	1,510	85,965	434	8,873	704	2,605	114	6,858	78,674	13,943	20,701	34,643
2022	39,195	41,916	33,264	114,375	1,541	115,916	392	12,275	742	2,705	106	10,207	105,318	14,727	22,366	37,094
2023	66,334	50,691	42,056	159,082	2,237	161,319	354	16,384	994	3,058	109	14,211	146,754	16,968	27,847	44,815
2024	61,061	49,957	41,238	152,256	2,868	155,124	310	16,175	1,061	2,973	109	14,154	140,660	17,612	26,640	44,251
2025	50,322	39,037	31,843	121,202	2,990	124,192	288	14,431	852	2,665	100	12,519	111,385	17,529	20,850	38,379
2026	38,529	35,102	28,517	102,148	2,345	104,493	187	12,570	709	2,406	87	10,786	93,520	16,789	17,988	34,777
2027	30,370	30,585	24,806	85,761	1,724	87,485	175	8,747	635	1,491	82	7,809	79,501	16,930	15,647	32,577
2028	25,916	27,483	22,218	75,618	1,418	77,035	164	7,786	582	1,333	78	6,957	69,914	16,951	14,032	30,983
2029	22,253	24,888	20,077	67,217	1,215	68,432	154	6,861	537	1,224	74	6,100	62,179	16,456	12,645	29,100
2030	19,794	22,627	18,233	60,654	1,062	61,717	135	6,012	489	1,081	67	5,353	56,229	15,847	11,490	27,336
2031	17,701	20,839	16,795	55,335	944	56,279	127	5,335	434	953	60	4,756	51,396	15,471	10,554	26,025
Sub.	401,202	394,351	316,268	1,111,821	20,763	1,132,584	3,024	119,452	8,132	23,865	1,059	102,660	1,026,900	188,860	209,892	398,753
Rem.	156,444	180,558	149,772	486,775	7,192	493,967	908	45,700	3,278	6,839	526	41,614	451,445	195,654	90,054	285,708
Tot.	557,646	574,909	466,040	1,598,596	27,955	1,626,551	3,933	165,152	11,410	30,704	1,584	144,274	1,478,345	384,514	299,946	684,460
Disc	285,083	287,821	230,110	803,014	14,586	817,600	2,295	85,145	5,808	17,272	782	72,900	742,406	148,328	153,702	302,030

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	9	0	-12	12,602	1,960	1,782	12,780	7,540	704	842	9,086	3,695	3,695	3,608
2021	19	0	-25	44,036	2,760	1,800	44,996	29,917	1,560	2,257	33,734	11,262	14,957	13,846
2022	28	0	-26	68,222	3,178	1,836	69,564	39,948	8,218	4,579	52,745	16,820	31,777	27,747
2023	26	0	-25	101,937	2,661	1,873	102,725	69,495	5,924	13,305	88,724	14,001	45,778	38,266
2024	24	0	-23	96,407	2,342	1,910	96,839	24,236	1,200	2,536	27,971	68,868	114,646	85,304
2025	21	0	-21	73,005	1,979	13,772	61,211	5,612	279	293	6,184	55,028	169,674	119,472
2026	18	0	-19	58,745	1,699	2,460	57,985	4,332	309	413	5,054	52,931	222,604	149,350
2027	16	0	-23	46,930	1,555	2,778	45,707	0	0	0	0	45,707	268,312	172,805
2028	16	0	-21	38,936	1,425	3,852	36,509	0	0	0	0	36,509	304,821	189,837
2029	14	0	-20	33,085	1,292	3,863	30,514	0	0	0	0	30,514	335,335	202,778
2030	13	0	-19	28,899	1,111	4,494	25,517	0	0	0	0	25,517	360,852	212,616
2031	11	0	-18	25,378	1,020	3,159	23,240	0	0	0	0	23,240	384,092	220,761
Sub.	215	0	-251	628,184	22,983	43,578	607,588	181,079	18,194	24,223	223,496	384,092	384,092	220,761
Rem.	135	0	-248	165,849	7,244	86,008	87,085	0	0	0	0	87,085	471,177	247,657
Tot.	350	0	-499	794,033	30,226	129,586	694,673	181,079	18,194	24,223	223,496	471,177	471,177	247,657
Disc	161	0	-195	440,410	17,106	34,273	423,243	142,270	14,515	18,800	175,586	247,657	247,657	247,657

AFTER TAX ANALYSIS

Year	Oper. Income M\$	Tax Pool Balances Incl. Current Year Additions					Depreciation & Writeoffs					Total M\$
		CCA M\$	COGPE M\$	CDE M\$	CEE M\$	Other M\$	CCA M\$	COGPE M\$	CDE M\$	CEE M\$	Other M\$	
2020	12,780	10,427	41,208	12,349	2,522	69,832	2,677	4,121	4,836	0	1,149	12,782
2021	44,996	11,567	37,087	37,430	2,522	68,683	3,254	3,709	15,716	0	22,317	44,996
2022	69,564	21,110	33,378	61,661	2,522	46,367	6,770	3,338	24,491	0	34,966	69,565
2023	102,725	33,568	30,041	106,665	2,522	11,401	10,696	3,004	42,424	2,522	11,401	70,047
2024	96,839	26,607	27,037	88,477	0	0	6,560	2,704	28,361	0	0	37,624
2025	61,211	20,619	24,333	65,729	0	0	5,069	2,433	20,140	0	0	27,642
2026	57,985	16,272	21,900	49,921	0	0	3,988	2,190	15,301	0	0	21,480
2027	45,707	12,284	19,710	34,620	0	0	2,997	1,971	10,386	0	0	15,354
2028	36,509	9,287	17,739	24,234	0	0	2,253	1,774	7,270	0	0	11,297
2029	30,514	7,034	15,965	16,964	0	0	1,694	1,596	5,089	0	0	8,380
2030	25,517	5,340	14,368	11,875	0	0	1,275	1,437	3,562	0	0	6,275
2031	23,240	4,065	12,932	8,312	0	0	961	1,293	2,494	0	0	4,747
Sub.	607,588	4,065	12,932	8,312	0	0	48,194	29,570	180,070	2,522	69,832	330,188
Rem.	87,085	4,065	12,932	8,312	0	0	3,086	11,637	5,819	0	0	20,541
Tot.	694,673	4,065	12,932	8,312	0	0	51,280	41,207	185,888	2,522	69,832	350,729
Disc	423,243						33,965	22,567	126,293	1,895	58,873	243,593

AFTER TAX ANALYSIS

Year	Taxable Income M\$	Federal		Provincial		ARTD & Investment Credits	Income Tax Payable M\$	Net Cash Flow Before Income Tax			Net Cash Flow After Income Tax		
		Tax Rate %	Income Tax M\$	Tax Rate %	Income Tax M\$			Annual M\$	Cum. M\$	10.0% Dcf M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	15.0	0	10.0	0	0	0	3,695	3,695	3,608	3,695	3,695	3,608
2021	0	15.0	0	9.0	0	0	0	11,262	14,957	13,846	11,262	14,957	13,846
2022	0	15.0	0	8.1	0	0	0	16,820	31,777	27,747	16,820	31,777	27,747
2023	32,679	15.0	4,902	8.1	2,637	0	7,539	14,001	45,778	38,266	6,463	38,239	32,602
2024	59,215	15.0	8,882	8.1	4,779	0	13,661	68,868	114,646	85,304	55,207	93,446	70,309
2025	33,570	15.0	5,035	8.1	2,709	0	7,745	55,028	169,674	119,472	47,283	140,729	99,668
2026	36,505	15.0	5,476	8.1	2,946	0	8,422	52,931	222,604	149,350	44,509	185,238	124,792
2027	30,354	15.0	4,553	8.1	2,450	0	7,003	45,707	268,312	172,805	38,705	223,943	144,654
2028	25,213	15.0	3,782	8.1	2,035	0	5,817	36,509	304,821	189,837	30,693	254,636	158,973
2029	22,134	15.0	3,320	8.1	1,786	0	5,106	30,514	335,335	202,778	25,408	280,043	169,748
2030	19,242	15.0	2,886	8.1	1,553	0	4,439	25,517	360,852	212,616	21,077	301,121	177,874
2031	18,493	15.0	2,774	8.1	1,492	0	4,266	23,240	384,092	220,761	18,974	320,095	184,524
Sub.	277,405		41,611		22,387	0	63,997	384,092	384,092	220,761	320,095	320,095	184,524
Rem.	66,544		15,665		8,428	0	24,093	87,085	471,177	247,657	62,992	383,087	205,959
Tot.	343,948		57,276		30,814	0	88,090	471,177	471,177	247,657	383,087	383,087	205,959
Disc	179,653		27,112		14,586	0	41,698	247,657	247,657	247,657	205,959	205,959	205,959



SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	5,039	37	5,077	4,499	1.000	5,077	9	60.5	12.2	5.6
Tight Oil	Mbbl	2,882	182	3,064	2,825	1.000	3,064	6	27.5	46.1	6.5
Total: Total Oil	Mbbl	7,921	219	8,140	7,324	1.000	8,140	15	60.5	16.9	6.0
Solution Gas	MMcf	19,323	155	19,478	17,748	6.000	3,246	6	60.5	11.4	6.0
Residue Gas	MMcf	161,876	2,183	164,058	152,862	6.000	27,343	51	60.5	15.2	6.7
Shale Gas	MMcf	10,702	333	11,035	10,454	6.000	1,839	3	27.5	25.8	6.0
Total: Gas	MMcf	191,901	2,670	194,571	181,063	6.000	32,429	60	60.5	15.1	6.6
Gas Heat Content	BBtu	206,915	2,827	209,742	195,147	0.000	0	0	60.5	15.1	6.6
Condensate	Mbbl	1,414	27	1,441	1,201	1.000	1,441	3	60.5	15.1	6.4
Field Condensate (NGL)	Mbbl	1,989	11	2,000	1,704	1.000	2,000	4	60.5	16.4	6.6
Butane	Mbbl	2,203	33	2,236	1,897	1.000	2,236	4	60.5	14.1	6.5
Propane	Mbbl	3,428	32	3,460	2,831	1.000	3,460	6	60.5	13.3	6.5
Ethane	Mbbl	3,988	54	4,042	3,791	1.000	4,042	8	60.5	13.4	6.4
Total: NGL	Mbbl	13,021	156	13,178	11,424	1.000	13,178	25	60.5	14.1	6.5
Total: Oil+NGL	Mbbl	20,967	375	21,343	18,771	1.000	21,343	40	60.5	15.0	6.3
Total: Oil Eq.	Mboe	52,953	820	53,774	48,951	1.000	53,774	100	60.5	15.0	6.4

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values						Net Revenue After Royalties				
		Base Price	Price Adjust.	Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	48.61	-5.27	43.34	3.32	27.05	0.02	12.95	315,741	21	164,667	22
Tight Oil	\$/bbl	48.61	-6.98	41.63	1.92	9.80	0.00	29.90	196,985	13	98,217	13
Total: Total Oil	\$/bbl	48.61	-5.50	43.11	3.13	24.70	0.02	15.27	512,727	35	262,883	35
Solution Gas	\$/Mcf	2.12	-0.10	2.02	0.08	1.15	0.00	0.79	49,733	3	26,318	4
Residue Gas	\$/Mcf	2.12	0.11	2.24	0.05	2.02	0.00	0.17	479,544	32	239,412	32
Shale Gas	\$/Mcf	2.12	0.01	2.14	0.09	1.51	0.00	0.53	30,513	2	15,651	2
Total: Gas	\$/Mcf	2.12	0.08	2.20	0.06	1.89	0.00	0.26	559,790	38	281,381	38
Condensate	\$/bbl	51.39	-5.88	45.51	12.05	0.00	0.00	33.46	88,748	6	43,354	6
Field Condensate (NGL)	\$/bbl	51.43	-2.48	48.94	8.58	6.56	0.00	33.80	133,070	9	64,484	9
Butane	\$/bbl	25.00	-6.17	18.83	5.06	0.00	0.00	13.77	80,326	5	38,250	5
Propane	\$/bbl	23.85	-5.30	18.55	5.00	0.00	0.00	13.55	71,955	5	35,532	5
Ethane	\$/bbl	6.54	-0.83	5.71	-0.08	0.00	0.00	5.79	30,440	2	15,580	2
Total: NGL	\$/bbl	24.85	-3.70	21.15	4.55	0.85	0.00	15.74	404,539	27	197,200	27
Total: Oil+NGL	\$/bbl	32.96	-4.33	28.63	4.06	9.17	0.01	15.39	918,610	62	461,024	62
Total: Oil Eq.	\$/boe	20.55	-1.19	19.36	1.82	10.27	0.01	7.27	1,478,443	100	742,441	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax						Net Present Value After Income Tax					
	Initial	Average	Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		Operating Income M\$	Capital Invest. M\$	Cash Flow	
							M\$	\$/boe			M\$	\$/boe
Crown Royalty	11.8712	10.3311	0	794,033	694,673	223,496	471,177	8.76	606,583	223,496	383,087	7.12
Non-crown Royalty	1.1636	0.7138	5	570,547	535,901	197,215	338,686	6.30	477,232	197,215	280,017	5.21
Mineral Tax	0.0278	0.0219	8	485,290	463,159	183,752	279,407	5.20	415,669	183,752	231,917	4.31
			10	440,410	423,243	175,586	247,657	4.61	381,545	175,586	205,959	3.83
			12	402,546	388,897	167,996	220,901	4.11	352,008	167,996	184,012	3.42
			15	355,747	345,749	157,579	188,170	3.50	314,677	157,579	157,098	2.92
			20	296,577	290,293	142,432	147,861	2.75	266,309	142,432	123,877	2.30

Evaluator: Bellingham, Tracy K.
Run Date: July 28, 2020 13:02:37

APPENDIX I - CGU REPORTS

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EVALUATION OF GAIN ENERGY LTD. FOR I3 ENERGY
RESERVES ASSESSMENT AND
EVALUATION OF
CANADIAN OIL AND GAS PROPERTIES
CGU 1 - WEST CENTRAL ALTA

Effective June 30, 2020

1202568

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Proved Undeveloped	194
Total Proved	201
Total Probable	209
Proved Plus Probable Producing	217
Total Proved Plus Probable	225

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: CGU 1 - West Central Alta

Reserve Class: Various
 Development Class: Classifications
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Summary of Reserves and Values

	Proved Producing	Proved Developed Non- Producing	Proved Undeveloped	Total Proved	Total Probable	Proved Plus Probable Producing	Total Proved Plus Probable
MARKETABLE RESERVES							
Light & Medium Oil (Mbbbl)							
Total Company Interest	783	0	54	837	557	1,071	1,393
Working Interest	764	0	54	818	550	1,045	1,368
Net After Royalty	731	0	51	782	509	987	1,292
Total Oil (Mbbbl)							
Total Company Interest	785	21	54	859	559	1,073	1,418
Working Interest	766	21	54	840	552	1,047	1,392
Net After Royalty	733	19	51	804	511	989	1,315
Solution Gas (MMcf)							
Total Company Interest	2,831	0	128	2,959	1,644	3,954	4,603
Working Interest	2,733	0	128	2,861	1,608	3,820	4,469
Net After Royalty	2,629	0	121	2,751	1,547	3,682	4,298
Residue Gas (MMcf)							
Total Company Interest	41,513	879	35,311	77,702	44,595	53,535	122,298
Working Interest	41,134	872	35,311	77,317	44,458	53,027	121,775
Net After Royalty	38,488	826	33,266	72,580	41,414	49,693	113,994
Total Sales Gas (MMcf)							
Total Company Interest	44,353	883	35,439	80,674	46,240	57,499	126,914
Working Interest	43,876	876	35,439	80,191	46,067	56,857	126,258
Net After Royalty	41,125	830	33,387	75,342	42,962	53,383	118,304
Natural Gas Liquids (Mbbbl)							
Total Company Interest	3,090	112	2,170	5,372	2,987	4,027	8,360
Working Interest	3,054	111	2,170	5,335	2,975	3,980	8,310
Net After Royalty	2,585	96	1,980	4,660	2,582	3,410	7,242
Oil Equivalent (Mboe)							
Total Company Interest	11,267	279	8,131	19,677	11,253	14,683	30,930
Working Interest	11,133	277	8,131	19,541	11,205	14,503	30,746
Net After Royalty	10,172	253	7,596	18,021	10,253	13,296	28,275
BEFORE TAX PRESENT VALUE (M\$)							
0%	37,647	929	47,346	85,922	118,637	71,898	204,558
5%	44,275	934	28,832	74,041	70,083	66,004	144,124
8%	42,919	896	21,102	64,918	52,802	59,639	117,720
10%	41,512	865	16,979	59,355	44,389	55,744	103,744
12%	39,980	831	13,508	54,319	37,736	52,228	92,055
15%	37,671	779	9,273	47,723	30,143	47,637	77,866
20%	34,115	698	4,109	38,922	21,636	41,500	60,557
FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)							
2020 (6 Months)	4,250	-2	-3,907	341	402	4,375	743
2021	10,696	180	-14,073	-3,196	2,362	11,280	-834
2022	11,461	190	851	12,503	4,204	12,476	16,707
2023	9,968	342	1,834	12,144	-12,245	11,291	-101
2024	8,126	240	12,750	21,117	11,675	9,688	32,792
2025	-646	158	9,291	8,803	10,826	1,090	19,629

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: July 15, 2020 14:21:57

1202568 Class (A,B1,B2,C,F,G,I), Sproule (2020-06-30), psum

July 28, 2020 10:15:52





Company Production, Reserves and Present Value Summary

Entity Description	2020 Company Interest Prod'n				Company Interest Reserves				Net After Royalty Reserves				Reserve Life Index		Discounted Present Value (M\$)				12%
	Gas	Oil	NGL	Oil Eq.	Gas	Oil	NGL	Sulphur	Oil Eq.	Gas	Oil	NGL	Sulphur	Oil Eq.	0%	5%	8%	10%	
	Mcf/d	bbl/d	bbl/d	boe/d	MIMcf	Mbbl	Mbbl	Mlt	Mboe	MIMcf	Mbbl	Mbbl	Mlt	Mboe	yrs	yrs	yrs	yrs	
Proved Undeveloped (Cont.)																			
Edson Unit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0
Gilby	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0
Leedale	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0
Medicine River	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0
Open Creek	0	0	0	0	27,027	0	1,694	0	6,198	25,517	0	1,564	0	5,817	9.1	33,704	20,211	14,536	11,503
Pembina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	8,951
Rimbey	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0
Sunchild	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0
Sylvan Lake	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	0
Wilkesden Green	2,326	0	137	525	7,479	0	440	0	1,687	6,994	0	383	0	1,549	8.8	12,548	8,032	6,200	5,230
Wilson Creek	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	0	0	0	4,414
Total: Proved Undeveloped	2,326	0	137	525	35,439	54	2,170	0	8,131	33,387	51	1,980	0	7,596	47,346	28,832	21,102	16,979	13,508
Total Proved																			
Carrot Creek	19	0	0	3	6	23	1	3	0	8	22	1	3	0	3.4	62	60	59	57
CGU 1 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0	-3,979	-414	-143	-87
Cynthia	118	16	14	50	453	85	53	85	0	213	427	82	47	0	11.8	1,021	964	863	793
Edson GORR	33	0	3	9	91	0	9	0	0	24	91	0	9	0	7.5	678	524	458	421
Edson Non-Unit	2,132	3	56	415	5,711	17	150	0	1,119	5,335	17	120	0	1,026	7.4	6,533	5,455	4,882	4,543
Edson Unit	2,177	0	25	388	7,637	0	88	0	1,361	7,255	0	69	0	1,278	9.6	2,154	2,309	2,214	2,125
Gilby	1,370	37	81	347	1,415	91	87	0	414	1,299	88	67	0	372	3.3	-7,049	-3,608	-2,524	-2,023
Leedale	1,006	82	46	295	2,204	163	98	0	628	2,044	157	83	0	581	5.8	3,833	4,981	4,936	4,680
Medicine River	823	95	66	297	1,073	195	99	0	473	1,000	191	79	0	436	4.4	2,248	2,460	2,454	2,384
Open Creek	4,834	0	303	1,109	38,514	0	2,414	0	8,833	36,039	0	2,154	0	8,160	21.8	55,380	38,031	30,372	26,199
Pembina	56	11	3	23	70	24	3	0	39	69	23	3	0	38	4.7	866	759	695	657
Rimbey	2,038	31	297	668	6,543	178	953	0	2,222	6,095	145	830	0	1,991	9.1	7,127	7,132	6,596	6,231
Sunchild	47	0	2	10	62	0	3	0	14	62	0	3	0	14	3.6	352	295	270	256
Sylvan Lake	568	7	32	134	1,910	23	109	0	450	1,679	19	80	0	379	9.2	3,255	2,338	1,995	1,820
Wilkesden Green	3,708	29	216	863	10,503	55	615	0	2,421	9,723	54	528	0	2,202	7.7	9,257	8,343	7,470	6,898
Wilson Creek	2,138	17	328	701	4,466	28	687	0	1,459	4,204	27	586	0	1,314	5.7	4,182	4,412	4,320	4,222
Total: Total Proved	21,068	327	1,476	5,315	80,674	859	5,372	0	19,677	75,342	804	4,660	0	18,021	85,922	74,041	64,918	59,355	54,319
Total Probable																			
Carrot Creek	0	0	0	0	0	9	0	1	0	3	8	0	1	0	3	43	34	30	27
CGU 1 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cynthia	1	0	0	1	906	0	105	0	347	858	85	98	0	325	999.9	2,968	1,856	1,361	1,097
Edson GORR	0	0	0	0	0	21	0	2	0	5	21	0	2	0	5	184	107	80	67
Edson Non-Unit	22	0	1	4	2,603	0	69	0	502	2,424	0	56	0	460	325.0	3,586	2,142	1,598	1,328
Edson Unit	5	0	1	5	2,118	0	25	0	378	2,012	0	21	0	357	999.9	838	663	518	435
Gilby	20	0	1	5	647	12	40	0	159	604	11	35	0	147	90.7	1,545	1,317	1,194	1,054
Leedale	15	2	1	5	980	91	44	0	298	921	85	40	0	279	162.7	4,819	3,344	2,511	2,094
Medicine River	13	1	1	5	592	93	60	0	252	557	87	53	0	233	148.8	3,821	2,496	1,969	1,699
Open Creek	44	0	3	10	17,038	0	1,068	0	3,908	15,804	0	922	0	3,556	999.9	46,257	27,625	21,189	18,090
Pembina	1	0	0	1	99	45	5	0	66	95	43	5	0	63	357.1	853	471	314	234
Rimbey	96	0	14	30	2,435	72	355	0	833	2,270	52	317	0	748	75.6	6,783	3,462	2,519	2,095
Sunchild	4	0	0	1	36	0	2	0	8	36	0	2	0	8	28.0	240	154	123	108

Company: **Evaluation of Gain Energy Ltd. for i3 Energy**
 Property: **Corporate**
 Description: **CGU 1 - West Central Alta**

Reserve Class: **Proved**
 Development Class: **Producing**
 Pricing: **Sproule (2020-06-30)**
 Effective Date: **June 30, 2020**

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Total Oil Production				Solution Gas Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily	Yearly			Daily	Yearly			Daily	Yearly		
2020	63	120	317	58	56	42.29	327	60	58	42.13	1,396	255	233	2.35
2021	40	84	264	96	93	48.49	264	96	93	48.48	1,182	431	396	2.51
2022	39	84	229	83	79	58.77	229	83	79	58.76	994	363	336	2.77
2023	38	82	200	73	69	63.73	200	73	69	63.73	829	303	281	2.83
2024	36	79	177	65	61	64.93	177	65	61	64.93	699	255	237	2.88
2025	34	75	156	57	54	66.23	156	57	54	66.23	583	213	197	2.94
2026	29	74	126	46	43	68.14	126	46	43	68.14	468	171	159	3.00
2027	27	73	111	40	37	69.44	111	40	37	69.44	396	144	137	3.07
2028	26	71	98	36	33	70.69	98	36	33	70.69	336	123	116	3.13
2029	22	67	85	31	29	71.87	85	31	29	71.87	285	104	99	3.19
2030	19	59	76	28	25	73.35	76	28	25	73.35	250	91	87	3.25
2031	18	57	65	24	22	74.59	65	24	22	74.59	212	77	73	3.32
2032	13	51	50	18	17	77.74	50	18	17	77.74	144	52	50	3.34
2033	10	46	42	15	14	80.05	42	15	14	80.05	88	32	30	3.37
2034	8	42	36	13	12	81.37	36	13	12	81.37	74	27	25	3.43
2035	7	39	31	11	10	83.46	31	11	10	83.46	65	24	22	3.49
2036	5	28	27	10	9	85.68	27	10	9	85.68	57	21	19	3.55
2037	5	24	25	9	8	87.40	25	9	8	87.40	50	18	17	3.61
2038	4	20	20	7	7	89.45	20	7	7	89.45	37	14	13	3.69
2039	3	18	17	6	6	91.01	17	6	6	91.01	32	12	11	3.75
2040	2	13	15	5	5	92.61	15	5	5	92.61	29	10	10	3.82
2041	2	13	14	5	5	94.47	14	5	5	94.47	27	10	9	3.89
2042	2	10	13	5	4	96.37	13	5	4	96.37	26	9	9	3.97
2043	1	9	10	4	3	100.67	10	4	3	100.67	19	7	6	4.03
2044	1	7	9	3	3	102.66	9	3	3	102.66	18	6	6	4.11
2045	1	5	9	3	3	104.71	9	3	3	104.71	17	6	6	4.19
2046	1	5	8	3	2	106.74	8	3	2	106.74	15	6	5	4.27
2047	1	3	7	3	2	108.85	7	3	2	108.85	14	5	5	4.36
2048	1	2	7	3	2	111.08	7	3	2	111.08	12	4	4	4.41
2049	1	1	6	2	2	113.30	6	2	2	113.30	11	4	4	4.50
2050	1	1	6	2	2	115.56	6	2	2	115.56	11	4	4	4.59
2051	1	1	6	2	2	117.86	6	2	2	117.86	10	4	3	4.68
2052	1	1	6	2	2	120.21	6	2	2	120.21	10	4	3	4.78
2053	1	0	5	2	2	122.61	5	2	2	122.61	9	3	3	4.87
2054	1	0	5	2	2	125.06	5	2	2	125.06	9	3	3	4.97
2055	1	0	5	2	1	127.55	5	2	1	127.55	8	3	3	5.07
2056	1	0	4	2	1	130.10	4	2	1	130.10	8	3	3	5.17
2057	1	0	4	2	1	132.69	4	2	1	132.69	7	3	2	5.27
2058	1	0	4	1	1	135.34	4	1	1	135.34	7	3	2	5.38
2059	1	0	4	1	1	138.04	4	1	1	138.04	7	2	2	5.49
2060	0	0	2	1	1	142.47	2	1	1	142.47	2	1	1	5.52
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				783	731	67.34		785	733	67.27		2,831	2,629	2.92
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				783	731	67.34		785	733	67.27		2,831	2,629	2.92

Year	Residue Gas Production				Total Sales Gas Production				Field Condensate (NGL) Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	17,043	3,110	2,859	2.32	18,486	3,374	3,100	2.32	232	42	34	48.85
2021	13,680	4,993	4,584	2.47	14,862	5,425	4,980	2.47	187	68	53	55.43
2022	11,969	4,369	4,012	2.71	12,963	4,732	4,348	2.72	162	59	44	64.51
2023	10,518	3,839	3,530	2.77	11,348	4,142	3,812	2.77	142	52	39	69.78
2024	9,242	3,373	3,106	2.81	9,942	3,629	3,343	2.82	123	45	34	71.30
2025	8,120	2,964	2,735	2.87	8,703	3,176	2,932	2.87	107	39	30	72.84
2026	7,283	2,658	2,457	2.93	7,752	2,829	2,616	2.93	94	34	26	74.38
2027	6,591	2,406	2,256	2.98	6,987	2,550	2,393	2.99	84	31	28	75.95
2028	5,943	2,169	2,037	3.04	6,279	2,292	2,153	3.04	75	27	25	77.53
2029	5,247	1,915	1,800	3.09	5,532	2,019	1,899	3.10	65	24	22	79.26
2030	4,568	1,667	1,568	3.15	4,818	1,759	1,654	3.15	55	20	19	81.11
2031	4,077	1,488	1,399	3.21	4,289	1,565	1,472	3.21	49	18	16	82.77
2032	3,500	1,278	1,201	3.27	3,644	1,330	1,251	3.27	40	15	13	84.67
2033	3,039	1,109	1,043	3.33	3,127	1,141	1,073	3.33	34	12	11	86.46
2034	2,669	974	918	3.39	2,743	1,001	943	3.39	29	11	10	88.14
2035	2,362	862	812	3.45	2,427	886	834	3.45	24	9	8	90.06
2036	1,327	484	453	3.62	1,384	505	473	3.62	19	7	6	91.63
2037	1,060	387	362	3.69	1,111	405	379	3.69	15	6	5	93.48
2038	832	304	283	3.73	869	317	296	3.73	12	5	4	95.43
2039	698	255	237	3.81	729	266	247	3.81	10	4	3	97.43
2040	523	191	177	3.88	551	201	187	3.88	7	3	2	99.36
2041	464	169	157	3.96	491	179	166	3.96	6	2	2	101.37
2042	347	127	117	4.01	372	136	126	4.01	5	2	2	103.20
2043	304	111	102	4.10	323	118	109	4.10	4	1	1	105.31
2044	228	83	76	4.18	245	90	82	4.17	3	1	1	107.25
2045	204	74	68	4.27	220	80	74	4.27	2	1	1	109.44
2046	189	69	63	4.36	205	75	68	4.35	2	1	1	111.64
2047	66	24	22	4.41	80	29	27	4.40	1	0	0	113.26
2048	49	18	16	4.54	61	22	20	4.52	1	0	0	115.47
2049	32	12	10	4.54	43	16	14	4.53	1	0	0	117.78
2050	19	7	6	4.52	30	11	10	4.55	1	0	0	120.16
2051	18	7	6	4.61	29	10	9	4.64	0	0	0	122.56
2052	10	4	3	4.71	20	7	6	4.74	0	0	0	125.02
2053	5	2	2	4.80	15	5	5	4.84	0	0	0	127.51
2054	5	2	2	4.89	14	5	5	4.94	0	0	0	130.06
2055	5	2	2	4.99	13	5	4	5.04	0	0	0	132.66
2056	5	2	2	5.09	13	5	4	5.14	0	0	0	135.32
2057	5	2	2	5.19	12	4	4	5.24	0	0	0	138.02
2058	4	2	1	5.30	11	4	4	5.35	0	0	0	140.78
2059	4	2	1	5.40	11	4	4	5.46	0	0	0	143.60
2060	2	1	1	5.51	4	2	1	5.51	0	0	0	146.50
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		41,513	38,488	2.91		44,353	41,125	2.91		540	442	71.67
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		41,513	38,488	2.91		44,353	41,125	2.91		540	442	71.67

Year	Condensate Production				Butane Production				Propane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	97	18	12	46.36	245	45	33	22.28	368	67	49	20.63
2021	78	28	18	52.51	194	71	52	28.25	291	106	77	20.54
2022	67	25	16	61.53	169	62	45	36.22	254	93	67	23.22
2023	58	21	13	66.79	147	54	39	41.40	221	81	58	24.41
2024	51	19	12	68.17	128	47	34	42.23	193	70	51	24.89
2025	44	16	10	69.62	111	41	29	43.09	167	61	44	25.41
2026	38	14	9	71.10	98	36	26	43.94	147	54	39	25.92
2027	35	13	11	72.58	88	32	29	44.78	132	48	43	26.45
2028	31	11	10	74.12	79	29	27	45.70	118	43	39	27.01
2029	27	10	9	75.65	68	25	23	46.58	102	37	34	27.50
2030	24	9	8	77.17	59	21	20	47.50	88	32	29	27.99
2031	21	8	7	78.84	51	19	17	48.47	77	28	25	28.55
2032	18	7	6	80.23	42	15	14	49.36	63	23	21	28.95
2033	14	5	5	81.85	34	13	12	50.12	52	19	17	29.44
2034	12	5	4	83.57	29	11	10	51.23	45	17	15	30.08
2035	11	4	4	85.22	25	9	9	52.04	38	14	13	30.70
2036	8	3	3	86.26	20	7	7	53.29	31	11	10	31.54
2037	6	2	2	87.68	16	6	6	54.02	26	9	8	32.11
2038	5	2	2	89.21	13	5	5	54.91	21	8	7	33.04
2039	4	2	1	90.74	11	4	4	55.87	17	6	6	33.54
2040	4	1	1	92.27	9	3	3	56.78	13	5	4	34.41
2041	3	1	1	94.00	8	3	3	57.76	11	4	4	35.03
2042	3	1	1	95.39	6	2	2	58.62	9	3	3	35.93
2043	2	1	1	97.09	5	2	2	59.49	8	3	2	36.56
2044	2	1	1	98.48	4	1	1	59.77	6	2	2	37.01
2045	2	1	1	100.36	4	1	1	60.66	5	2	2	37.62
2046	2	1	1	102.32	3	1	1	61.75	5	2	2	38.32
2047	0	0	0	108.41	1	1	0	66.02	2	1	1	40.06
2048	0	0	0	110.44	1	0	0	67.12	2	1	1	40.84
2049	0	0	0	112.39	1	0	0	67.89	1	0	0	41.97
2050	0	0	0	112.60	1	0	0	70.40	1	0	0	42.79
2051	0	0	0	114.86	1	0	0	71.81	1	0	0	43.65
2052	0	0	0	116.26	0	0	0	72.73	1	0	0	44.40
2053	0	0	0	117.91	0	0	0	73.61	1	0	0	45.12
2054	0	0	0	120.27	0	0	0	75.08	1	0	0	46.02
2055	0	0	0	122.67	0	0	0	76.58	0	0	0	46.94
2056	0	0	0	125.13	0	0	0	78.11	0	0	0	47.88
2057	0	0	0	127.63	0	0	0	79.68	0	0	0	48.84
2058	0	0	0	130.19	0	0	0	81.27	0	0	0	49.82
2059	0	0	0	132.79	0	0	0	82.90	0	0	0	50.81
2060	0	0	0	144.36	0	0	0	87.37	0	0	0	52.59
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		227	168	68.51		567	454	40.98		854	673	25.52
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		227	168	68.51		567	454	40.98		854	673	25.52

Year	Ethane Production				Natural Gas Liquids Production				Oil + Liquids Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	361	66	61	6.00	1,303	238	189	23.83	1,631	298	247	27.51
2021	303	111	103	6.41	1,053	384	303	26.43	1,317	481	396	30.86
2022	264	97	90	7.08	916	334	262	31.08	1,145	418	341	36.61
2023	232	85	79	7.23	801	292	229	33.65	1,001	365	298	39.66
2024	203	74	70	7.37	699	255	200	34.29	876	320	261	40.50
2025	177	65	61	7.51	606	221	174	34.97	763	278	228	41.38
2026	157	57	54	7.66	535	195	154	35.67	661	241	197	41.86
2027	140	51	48	7.82	479	175	160	36.42	590	215	197	42.63
2028	126	46	43	7.98	428	156	144	37.13	526	192	177	43.37
2029	109	40	38	8.14	373	136	125	37.91	458	167	154	44.21
2030	94	34	32	8.30	321	117	108	38.69	396	145	133	45.32
2031	82	30	28	8.45	280	102	94	39.53	346	126	116	46.16
2032	68	25	23	8.63	231	84	78	40.31	282	103	95	47.01
2033	57	21	19	8.80	191	70	64	41.01	233	85	78	48.07
2034	49	18	17	8.99	165	60	56	41.70	201	73	68	48.72
2035	41	15	14	9.17	140	51	47	42.82	171	63	57	50.17
2036	36	13	12	9.36	114	42	38	42.01	141	52	47	50.38
2037	29	11	10	9.56	93	34	31	42.65	118	43	40	52.13
2038	25	9	8	9.76	76	28	26	43.20	97	35	32	52.99
2039	20	7	7	9.88	63	23	21	44.36	80	29	27	54.34
2040	15	5	5	10.09	47	17	16	44.92	62	23	21	56.42
2041	13	5	4	10.28	41	15	14	46.15	56	20	18	58.49
2042	11	4	4	10.50	33	12	11	46.20	47	17	15	60.58
2043	9	3	3	10.71	28	10	9	47.62	38	14	12	61.43
2044	6	2	2	10.93	21	8	7	48.46	31	11	10	64.82
2045	5	2	2	11.15	19	7	6	50.06	27	10	9	67.54
2046	5	2	2	11.37	17	6	6	51.29	25	9	8	68.82
2047	3	1	1	11.63	9	3	3	46.28	16	6	5	74.95
2048	2	1	1	11.86	6	2	2	47.81	13	5	4	80.93
2049	2	1	1	12.10	5	2	2	48.20	11	4	4	85.48
2050	2	1	1	12.37	4	1	1	47.40	10	4	3	88.59
2051	1	1	0	12.62	4	1	1	48.35	10	4	3	90.25
2052	1	0	0	12.87	3	1	1	49.70	8	3	2	97.89
2053	1	0	0	13.13	2	1	1	51.11	7	3	2	104.05
2054	1	0	0	13.39	2	1	1	52.13	7	2	2	106.08
2055	1	0	0	13.66	2	1	1	53.18	6	2	2	108.14
2056	1	0	0	13.93	2	1	1	54.24	6	2	2	110.24
2057	1	0	0	14.21	2	1	0	55.33	6	2	2	112.38
2058	1	0	0	14.49	1	1	0	56.44	5	2	2	114.55
2059	1	0	0	14.78	1	0	0	57.57	5	2	2	116.76
2060	0	0	0	15.09	1	0	0	56.01	3	1	1	121.53
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		903	847	7.64		3,090	2,585	34.34		3,875	3,318	41.01
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		903	847	7.64		3,090	2,585	34.34		3,875	3,318	41.01

Oil Equivalent Production

Year	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	4,712	860	764	18.62
2021	3,794	1,385	1,226	20.39
2022	3,306	1,207	1,066	23.33
2023	2,892	1,056	933	24.60
2024	2,533	925	818	25.06
2025	2,213	808	717	25.56
2026	1,953	713	633	25.79
2027	1,754	640	596	26.22
2028	1,572	574	535	26.65
2029	1,380	504	470	27.09
2030	1,199	438	409	27.64
2031	1,061	387	362	28.04
2032	889	325	303	28.30
2033	754	275	257	28.65
2034	658	240	225	28.99
2035	576	210	196	29.47
2036	372	136	126	32.60
2037	303	111	103	33.81
2038	242	88	81	34.64
2039	202	74	68	35.36
2040	154	56	52	36.68
2041	137	50	46	37.81
2042	109	40	36	39.75
2043	92	34	30	39.86
2044	72	26	24	42.13
2045	64	23	21	43.52
2046	59	22	19	44.19
2047	29	11	10	52.94
2048	23	9	7	57.36
2049	19	7	6	62.76
2050	15	6	5	68.43
2051	14	5	4	69.67
2052	11	4	4	77.88
2053	10	3	3	84.90
2054	9	3	3	86.51
2055	9	3	3	88.16
2056	8	3	3	89.83
2057	8	3	2	91.52
2058	7	3	2	93.25
2059	7	3	2	95.00
2060	3	1	1	102.22
2061	0	0	0	0.00
2062	0	0	0	0.00
2063	0	0	0	0.00
2064	0	0	0	0.00
2065	0	0	0	0.00
2066	0	0	0	0.00
2067	0	0	0	0.00
2068	0	0	0	0.00
2069	0	0	0	0.00
Sub.		11,267	10,172	25.54
Rem.		0	0	0.00
Tot.		11,267	10,172	25.54

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Total	Total	Process.	Crown	Other	Crown	Other	After	After			
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	2,435	7,708	5,582	15,725	284	16,010	33	2,024	144	705	32	1,431	14,546	5,348	4,779	10,127
2021	4,528	13,225	10,013	27,767	462	28,228	38	3,767	237	1,158	56	2,790	25,401	7,209	7,799	15,007
2022	4,763	12,693	10,247	27,703	451	28,154	32	3,972	244	953	51	3,212	24,910	6,683	6,861	13,544
2023	4,523	11,342	9,697	25,563	406	25,969	29	3,708	233	814	47	3,081	22,859	6,629	6,133	12,762
2024	4,096	10,106	8,625	22,828	345	23,172	26	3,261	207	672	43	2,753	20,394	6,482	5,496	11,978
2025	3,688	9,024	7,637	20,349	301	20,650	24	2,852	186	595	39	2,404	18,222	6,315	4,898	11,214
2026	3,057	8,196	6,863	18,116	267	18,384	22	2,531	174	534	36	2,134	16,227	5,993	4,408	10,402
2027	2,740	7,533	6,276	16,549	240	16,789	22	1,140	161	220	34	1,048	15,719	5,972	4,034	10,006
2028	2,461	6,900	5,729	15,089	208	15,297	17	1,008	141	190	29	930	14,350	5,880	3,692	9,572
2029	2,176	6,190	5,091	13,457	183	13,640	16	871	131	167	27	808	12,817	5,565	3,311	8,876
2030	1,987	5,485	4,465	11,938	163	12,101	15	772	119	149	25	717	11,369	5,038	2,954	7,992
2031	1,748	4,988	4,002	10,737	119	10,856	9	683	112	133	23	639	10,209	4,821	2,667	7,487
2032	1,401	4,311	3,363	9,075	108	9,183	8	578	101	117	20	542	8,633	4,102	2,319	6,421
2033	1,206	3,772	2,837	7,815	75	7,890	8	500	91	102	18	470	7,412	3,631	2,017	5,648
2034	1,031	3,374	2,505	6,911	55	6,966	6	441	70	92	13	406	6,554	3,322	1,816	5,138
2035	921	3,042	2,183	6,146	49	6,196	6	393	67	80	13	367	5,823	3,111	1,607	4,718
2036	825	1,816	1,741	4,382	44	4,426	5	288	64	49	12	291	4,129	2,268	984	3,252
2037	779	1,482	1,441	3,703	41	3,744	4	248	60	41	11	255	3,484	1,969	821	2,790
2038	649	1,173	1,194	3,017	38	3,055	4	206	56	31	11	221	2,830	1,650	636	2,285
2039	552	1,004	1,013	2,569	35	2,604	4	179	53	26	10	196	2,405	1,422	533	1,955
2040	492	772	771	2,035	31	2,066	3	155	42	20	8	170	1,894	1,108	411	1,519
2041	473	706	694	1,873	22	1,895	2	145	40	19	7	159	1,734	1,064	374	1,437
2042	456	541	561	1,559	21	1,579	2	124	39	15	7	141	1,436	902	299	1,201
2043	350	479	488	1,317	20	1,337	2	110	37	12	7	128	1,207	755	252	1,006
2044	339	371	378	1,088	14	1,101	2	95	34	10	6	113	987	596	203	799
2045	327	340	339	1,006	13	1,018	1	89	32	9	6	107	910	543	184	728
2046	304	323	319	946	7	954	1	85	32	9	5	102	850	528	173	701
2047	293	127	147	567	2	569	1	54	18	4	3	65	502	262	103	365
2048	278	100	108	486	2	488	1	51	17	3	3	62	425	196	84	280
2049	268	71	85	423	2	425	1	46	17	2	3	58	367	157	66	223
2050	259	50	70	378	0	378	1	46	16	2	3	58	320	123	60	183
2051	251	48	68	367	0	367	1	44	16	1	3	56	310	126	58	184
2052	243	34	47	324	0	324	0	42	10	1	1	49	274	91	47	139
2053	234	26	34	294	0	294	0	40	6	1	0	45	250	72	41	113
2054	227	25	33	285	0	285	0	39	6	1	0	43	242	74	39	113
2055	219	24	32	276	0	276	0	37	6	1	0	41	234	75	38	113
2056	213	24	31	268	0	268	0	36	6	1	0	40	228	77	37	114
2057	205	23	30	258	0	258	0	35	5	1	0	38	220	78	36	114
2058	198	22	30	250	0	250	0	33	5	1	0	37	213	80	35	115
2059	192	22	29	242	0	242	0	32	5	1	0	36	206	81	34	115
2060	99	8	12	119	0	119	0	20	0	1	0	20	100	27	16	44
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	51,487	127,501	104,812	283,800	4,009	287,809	345	30,781	3,040	6,941	615	26,265	261,199	100,426	70,354	170,780
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	51,487	127,501	104,812	283,800	4,009	287,809	345	30,781	3,040	6,941	615	26,265	261,199	100,426	70,354	170,780
Disc	27,799	74,873	60,581	163,253	2,480	165,733	208	19,696	1,551	4,797	327	16,123	149,401	51,939	41,616	93,555

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	9	0	-12	4,422	933	966	4,389	60	34	45	139	4,250	4,250	4,150
2021	18	0	-23	10,399	1,273	976	10,696	0	0	0	0	10,696	14,946	13,874
2022	25	0	-24	11,365	1,092	995	11,461	0	0	0	0	11,461	26,408	23,346
2023	23	0	-22	10,096	887	1,015	9,968	0	0	0	0	9,968	36,376	30,835
2024	18	0	-20	8,418	744	1,035	8,126	0	0	0	0	8,126	44,502	36,386
2025	16	0	-18	7,010	645	8,302	-646	0	0	0	0	-646	43,856	35,985
2026	14	0	-17	5,828	611	1,677	4,762	0	0	0	0	4,762	48,618	38,673
2027	12	0	-19	5,720	577	2,005	4,292	0	0	0	0	4,292	52,910	40,875
2028	11	0	-18	4,785	530	2,187	3,129	0	0	0	0	3,129	56,039	42,335
2029	10	0	-16	3,948	474	2,297	2,125	0	0	0	0	2,125	58,164	43,236
2030	9	0	-15	3,384	375	2,521	1,237	0	0	0	0	1,237	59,401	43,713
2031	8	0	-14	2,727	337	2,115	949	0	0	0	0	949	60,350	44,045
2032	7	0	-13	2,218	303	2,293	228	0	0	0	0	228	60,578	44,118
2033	5	0	-12	1,771	273	2,832	-788	0	0	0	0	-788	59,790	43,890
2034	4	0	-11	1,422	248	2,875	-1,205	0	0	0	0	-1,205	58,585	43,572
2035	4	0	-10	1,112	229	1,507	-165	0	0	0	0	-165	58,419	43,533
2036	3	0	-9	883	204	2,148	-1,061	0	0	0	0	-1,061	57,359	43,302
2037	3	0	-6	698	184	1,821	-939	0	0	0	0	-939	56,420	43,116
2038	3	0	-6	548	169	1,534	-817	0	0	0	0	-817	55,603	42,969
2039	3	0	-6	453	129	4,532	-3,950	0	0	0	0	-3,950	51,653	42,324
2040	2	0	-5	378	120	2,118	-1,620	0	0	0	0	-1,620	50,033	42,083
2041	2	0	-5	300	111	863	-451	0	0	0	0	-451	49,582	42,022
2042	2	0	-5	238	104	886	-545	0	0	0	0	-545	49,038	41,955
2043	2	0	-5	204	97	826	-526	0	0	0	0	-526	48,512	41,896
2044	1	0	-4	191	89	1,349	-1,069	0	0	0	0	-1,069	47,442	41,788
2045	1	0	-4	185	83	75	194	0	0	0	0	194	47,636	41,805
2046	1	0	-4	151	77	642	-414	0	0	0	0	-414	47,222	41,771
2047	1	0	-3	139	4	396	-253	0	0	0	0	-253	46,969	41,751
2048	1	0	-3	147	4	340	-189	0	0	0	0	-189	46,781	41,738
2049	1	0	-3	146	4	333	-183	0	0	0	0	-183	46,597	41,727
2050	1	0	-3	139	0	42	96	0	0	0	0	96	46,694	41,732
2051	1	0	-2	128	0	1,830	-1,701	0	0	0	0	-1,701	44,992	41,644
2052	1	0	0	135	0	272	-137	0	0	0	0	-137	44,855	41,637
2053	1	0	0	136	0	95	41	0	0	0	0	41	44,896	41,639
2054	1	0	0	128	0	1,846	-1,718	0	0	0	0	-1,718	43,178	41,572
2055	1	0	0	120	0	20	100	0	0	0	0	100	43,278	41,575
2056	0	0	0	113	0	0	113	0	0	0	0	113	43,391	41,579
2057	0	0	0	105	0	175	-70	0	0	0	0	-70	43,321	41,577
2058	0	0	0	98	0	542	-445	0	0	0	0	-445	42,876	41,565
2059	0	0	0	90	0	0	90	0	0	0	0	90	42,967	41,567
2060	0	0	0	56	0	0	56	0	0	0	0	56	43,023	41,568
2061	0	0	0	0	0	0	0	0	0	0	0	0	43,023	41,568
2062	0	0	0	0	0	0	0	0	0	0	0	0	43,023	41,568
2063	0	0	0	0	0	0	0	0	0	0	0	0	43,023	41,568
2064	0	0	0	0	0	18	-18	0	0	0	0	-18	43,005	41,568
2065	0	0	0	0	0	1,439	-1,439	0	0	0	0	-1,439	41,566	41,548
2066	0	0	0	0	0	0	0	0	0	0	0	0	41,566	41,548
2067	0	0	0	0	0	0	0	0	0	0	0	0	41,566	41,548
2068	0	0	0	0	0	0	0	0	0	0	0	0	41,566	41,548
2069	0	0	0	0	0	3,919	-3,919	0	0	0	0	-3,919	37,647	41,512
Sub.	223	0	-337	90,533	10,911	63,659	37,786	60	34	45	139	37,647	37,647	41,512
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	37,647	41,512
Tot.	223	0	-337	90,533	10,911	63,659	37,786	60	34	45	139	37,647	37,647	41,512
Disc	124	0	-161	55,884	6,407	20,643	41,647	59	33	44	136	41,512	41,512	41,512

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	764	19	783	731	1.000	783	7	40.5	6.8	5.3
Solution Gas	MMcf	2,733	98	2,831	2,629	6.000	472	4	40.5	5.6	4.2
Residue Gas	MMcf	41,134	379	41,513	38,488	6.000	6,919	61	40.5	6.7	5.4
Total: Gas	MMcf	43,867	476	44,344	41,117	6.000	7,391	66	40.5	6.6	5.3
Gas Heat Content	BBtu	46,494	519	47,013	43,571	0.000	0	0	40.5	6.6	5.3
Condensate	Mbbl	224	3	227	168	1.000	227	2	40.5	6.4	5.2
Field Condensate (NGL)	Mbbl	535	4	540	442	1.000	540	5	40.5	6.4	5.1
Butane	Mbbl	552	15	567	454	1.000	567	5	40.5	6.3	5.1
Propane	Mbbl	847	7	854	673	1.000	854	8	40.5	6.4	5.2
Ethane	Mbbl	896	7	903	847	1.000	903	8	40.5	6.9	5.3
Total: NGL	Mbbl	3,054	36	3,090	2,585	1.000	3,090	27	40.5	6.5	5.2
Total: Oil+NGL	Mbbl	3,820	55	3,875	3,318	1.000	3,875	34	40.5	6.5	5.2
Total: Oil Eq.	Mboe	11,133	134	11,267	10,172	1.000	11,267	100	40.5	6.6	5.3

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	42.29	1.32	42.49	0.06	-1.58	48,743	19	26,814	18
Solution Gas	\$/Mcf	2.35	0.09	1.15	0.02	1.09	7,925	3	4,983	3
Residue Gas	\$/Mcf	2.32	0.03	2.23	0.00	0.06	116,656	45	68,516	46
Total: Gas	\$/Mcf	2.32	0.04	2.15	0.00	0.14	124,581	48	73,499	49
Condensate	\$/bbl	46.36	14.64	0.00	0.00	31.72	12,046	5	6,533	4
Field Condensate (NGL)	\$/bbl	48.85	9.83	6.06	0.00	32.96	32,079	12	18,078	12
Butane	\$/bbl	22.28	5.40	0.00	0.00	16.88	19,409	7	10,601	7
Propane	\$/bbl	20.63	5.24	0.00	0.00	15.39	17,511	7	9,841	7
Ethane	\$/bbl	6.00	-0.09	0.00	0.00	6.10	6,790	3	3,964	3
Total: NGL	\$/bbl	23.83	5.31	1.08	0.00	17.44	87,834	34	49,017	33
Total: Oil+NGL	\$/bbl	27.50	4.50	9.73	0.01	13.25	136,659	52	75,908	51
Total: Oil Eq.	\$/boe	18.62	1.70	11.48	0.01	5.43	261,265	100	149,431	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Net Present Value Before Income Tax									
	Revenue Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		
	Initial	Average						M\$	\$/boe	
Crown Royalty	12.8709	10.8459	0	90,533	37,786	139	37,647	3.34		
Non-crown Royalty	0.9138	1.0712	5	69,032	44,413	137	44,275	3.93		
Mineral Tax	0.0583	0.0786	8	60,483	43,056	136	42,919	3.81		
			10	55,884	41,647	136	41,512	3.68		
			12	51,943	40,115	135	39,980	3.55		
			15	46,991	37,805	134	37,671	3.34		
			20	40,588	34,248	133	34,115	3.03		

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:47

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: CGU 1 - West Central Alta

Reserve Class: Proved
 Development Class: Developed Non-Producing
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Residue Gas Production						Field Condensate (NGL) Production				Condensate Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbl	Mbbl	\$/bbl
2020	0	3	256	47	44	2.24	7	1	1	48.11	0	0	0	47.82
2021	0	3	347	127	118	2.42	9	3	3	54.56	1	0	0	54.29
2022	1	3	305	111	104	2.67	8	3	2	63.63	1	0	0	63.36
2023	1	3	271	99	92	2.73	7	2	2	68.90	1	0	0	68.62
2024	1	3	224	82	76	2.78	5	2	2	70.41	0	0	0	70.12
2025	1	3	201	73	69	2.84	5	2	1	71.89	0	0	0	71.59
2026	1	3	180	66	61	2.89	4	2	1	73.40	0	0	0	73.10
2027	0	3	164	60	57	2.95	4	1	1	74.93	0	0	0	74.62
2028	0	3	140	51	48	3.01	3	1	1	76.56	0	0	0	76.24
2029	0	2	125	45	43	3.07	3	1	1	78.17	0	0	0	77.85
2030	0	1	72	26	25	3.06	2	1	1	79.03	0	0	0	78.47
2031	0	1	68	25	24	3.12	2	1	1	80.61	0	0	0	80.04
2032	0	1	64	23	22	3.18	2	1	1	82.22	0	0	0	81.64
2033	0	1	61	22	21	3.25	2	1	1	83.86	0	0	0	83.28
2034	0	1	31	11	11	3.31	1	0	0	85.54	0	0	0	84.94
2035	0	1	29	11	10	3.38	1	0	0	87.25	0	0	0	86.64
2036	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2037	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2038	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2039	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2040	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2041	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2042	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2043	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2044	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2045	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2046	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2047	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2048	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2049	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				879	826	2.79		22	19	69.13		2	1	68.35
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				879	826	2.79		22	19	69.13		2	1	68.35

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbbl	Net Yearly Mbbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbbl	Net Yearly Mbbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbbl	Net Yearly Mbbbl	Price \$/bbl
2020	5	1	1	25.84	9	2	1	20.90	13	2	2	6.03
2021	6	2	2	31.47	11	4	3	21.02	16	6	5	6.43
2022	6	2	1	39.51	10	4	2	23.70	14	5	5	7.08
2023	5	2	1	44.68	9	3	2	24.89	12	5	4	7.23
2024	4	1	1	45.54	7	3	2	25.40	10	4	3	7.37
2025	4	1	1	46.48	6	2	2	25.90	9	3	3	7.52
2026	3	1	1	47.42	6	2	1	26.41	8	3	3	7.67
2027	3	1	1	48.43	5	2	2	26.93	7	3	3	7.83
2028	3	1	1	49.38	4	2	1	27.48	6	2	2	7.98
2029	2	1	1	50.36	4	1	1	28.02	6	2	2	8.14
2030	2	1	1	51.84	3	1	1	28.41	4	2	1	8.33
2031	2	1	1	52.87	3	1	1	28.98	4	1	1	8.49
2032	1	1	0	53.93	3	1	1	29.56	4	1	1	8.66
2033	1	0	0	55.01	3	1	1	30.15	4	1	1	8.84
2034	1	0	0	56.11	1	0	0	30.75	2	1	1	9.01
2035	1	0	0	57.23	1	0	0	31.37	2	1	1	9.19
2036	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2037	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2038	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2039	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2040	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2041	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2042	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2043	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2044	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2045	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2046	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2047	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2048	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2049	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		17	13	43.81		29	23	25.43		42	40	7.46
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		17	13	43.81		29	23	25.43		42	40	7.46

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	35	6	5	21.66	35	6	5	21.66	78	14	13	17.18
2021	42	15	13	24.53	42	15	13	24.53	100	37	32	18.75
2022	37	14	11	28.67	43	16	13	31.89	94	34	30	23.27
2023	33	12	10	30.95	52	19	16	40.77	98	36	32	29.34
2024	27	10	8	31.71	41	15	13	41.20	79	29	26	29.44
2025	24	9	7	32.34	35	13	11	40.83	69	25	22	29.08
2026	22	8	6	32.99	30	11	9	40.62	60	22	19	28.87
2027	20	7	7	33.64	20	7	7	33.64	47	17	16	24.42
2028	17	6	6	34.43	17	6	6	34.43	40	15	14	24.91
2029	15	5	5	35.14	15	5	5	35.14	36	13	12	25.41
2030	11	4	4	34.19	11	4	4	34.19	23	8	8	25.98
2031	11	4	4	34.88	11	4	4	34.88	22	8	8	26.50
2032	10	4	3	35.58	10	4	3	35.58	21	8	7	27.03
2033	9	3	3	36.29	9	3	3	36.29	19	7	7	27.57
2034	5	2	2	37.01	5	2	2	37.01	10	4	3	28.12
2035	5	2	2	37.75	5	2	2	37.75	9	3	3	28.68
2036	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2037	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2038	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2039	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2040	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2041	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2042	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2043	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2044	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2045	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2046	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2047	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2048	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2049	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		112	96	30.90		132	115	35.28		279	253	25.51
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		112	96	30.90		132	115	35.28		279	253	25.51

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Interest Expense M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Working Interest							Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$												
2020	0	104	139	243	2	245	1	39	0	15	0	24	220	67	98	165
2021	0	303	374	677	9	686	3	111	0	36	0	75	608	194	234	428
2022	109	295	386	789	10	799	3	124	0	32	0	92	704	226	237	462
2023	395	270	372	1,038	10	1,047	3	133	0	29	0	103	941	315	284	599
2024	302	226	308	836	9	845	3	109	0	24	0	85	757	289	228	517
2025	230	207	283	720	8	729	3	96	0	22	0	74	652	295	199	494
2026	175	191	263	630	0	630	0	86	0	21	0	65	564	301	176	476
2027	0	176	244	421	0	421	0	22	0	7	0	16	405	184	125	309
2028	0	153	210	364	0	364	0	19	0	6	0	14	350	176	107	282
2029	0	140	191	331	0	331	0	18	0	5	0	13	318	175	97	272
2030	0	81	140	220	0	220	0	12	0	4	0	8	212	106	75	181
2031	0	77	134	211	0	211	0	12	0	4	0	8	204	108	72	180
2032	0	75	129	204	0	204	0	11	0	4	0	7	196	110	69	180
2033	0	72	124	196	0	196	0	11	0	4	0	7	189	112	67	179
2034	0	37	65	102	0	102	0	6	0	2	0	4	98	58	35	92
2035	0	36	62	99	0	99	0	6	0	2	0	4	95	59	34	92
2036	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2037	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2038	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2039	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2040	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2041	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2042	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2043	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2044	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2045	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2046	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2047	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2048	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2049	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2050	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2051	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2052	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2053	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2054	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2055	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2056	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2057	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2058	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2059	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2060	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	1,212	2,443	3,424	7,079	48	7,128	15	815	0	217	0	598	6,514	2,774	2,136	4,909
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	1,212	2,443	3,424	7,079	48	7,128	15	815	0	217	0	598	6,514	2,774	2,136	4,909
Disc	835	1,557	2,123	4,515	37	4,552	12	571	0	153	0	418	4,122	1,641	1,364	3,005

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	55	70	0	125	50	38	40	128	-2	-2	-2
2021	0	0	0	180	0	0	180	0	0	0	0	180	178	161
2022	0	0	0	242	0	0	242	0	0	52	52	190	368	319
2023	0	0	0	341	0	0	342	0	0	0	0	342	710	575
2024	0	0	0	240	0	0	240	0	0	0	0	240	950	739
2025	0	0	0	158	0	0	158	0	0	0	0	158	1,108	838
2026	0	0	0	88	0	0	88	0	0	0	0	88	1,196	887
2027	0	0	0	96	0	0	96	0	0	0	0	96	1,292	937
2028	0	0	0	68	0	55	13	0	0	0	0	13	1,305	943
2029	0	0	0	46	0	0	46	0	0	0	0	46	1,351	962
2030	0	0	0	32	0	0	32	0	0	0	0	32	1,383	974
2031	0	0	0	24	0	155	-131	0	0	0	0	-131	1,251	928
2032	0	0	0	17	0	0	17	0	0	0	0	17	1,268	934
2033	0	0	0	10	0	0	10	0	0	0	0	10	1,278	937
2034	0	0	0	6	0	157	-151	0	0	0	0	-151	1,127	897
2035	0	0	0	3	0	0	3	0	0	0	0	3	1,129	897
2036	0	0	0	0	0	0	0	0	0	0	0	0	1,129	897
2037	0	0	0	0	0	0	0	0	0	0	0	0	1,129	897
2038	0	0	0	0	0	98	-98	0	0	0	0	-98	1,032	880
2039	0	0	0	0	0	0	0	0	0	0	0	0	1,032	880
2040	0	0	0	0	0	103	-103	0	0	0	0	-103	929	865
2041	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2042	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2043	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2044	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2045	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2046	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2047	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2048	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2049	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2050	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2051	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2052	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2053	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2054	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2055	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2056	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2057	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2058	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2059	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2060	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2061	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2062	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2063	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2064	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2065	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2066	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2067	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2068	0	0	0	0	0	0	0	0	0	0	0	0	929	865
2069	0	0	0	0	0	0	0	0	0	0	0	0	929	865
Sub.	0	0	0	1,605	71	567	1,108	50	38	92	179	929	929	865
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	929	865
Tot.	0	0	0	1,605	71	567	1,108	50	38	92	179	929	929	865
Disc	0	0	0	1,117	69	154	1,032	49	37	82	167	865	865	865

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Residue Gas	MMcf	872	7	879	826	6.000	147	52	15.5	9.4	4.7
Gas Heat Content	BBtu	918	7	926	869	0.000	0	0	15.5	9.5	4.7
Condensate	Mbbl	2	0	2	1	1.000	2	1	15.5	10.4	4.6
Field Condensate (NGL)	Mbbl	22	0	22	19	1.000	22	8	15.5	8.8	4.8
Butane	Mbbl	16	0	17	13	1.000	17	6	15.5	8.8	4.8
Propane	Mbbl	29	0	29	23	1.000	29	10	15.5	8.5	4.8
Ethane	Mbbl	41	0	42	40	1.000	42	15	15.5	8.5	4.8
Total: NGL	Mbbl	111	1	112	96	1.000	112	40	15.5	8.6	4.8
Total: Oil+NGL	Mbbl	131	1	132	115	1.000	132	47	15.5	10.2	4.6
Total: Oil Eq.	Mboe	277	2	279	253	1.000	279	100	15.5	9.8	4.7

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Solution Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	-1	0	-1	0
Residue Gas	\$/Mcf	2.24	-0.06	3.25	0.00	-0.95	2,421	37	1,551	38
Total: Gas	\$/Mcf	2.24	-0.06	3.25	0.00	-0.95	2,421	37	1,550	38
Condensate	\$/bbl	47.82	17.36	0.00	0.00	30.46	94	1	57	1
Field Condensate (NGL)	\$/bbl	48.11	8.71	10.66	0.00	28.74	1,307	20	792	19
Butane	\$/bbl	25.84	5.66	0.00	0.00	20.18	616	9	365	9
Propane	\$/bbl	20.90	5.75	0.00	0.00	15.15	595	9	356	9
Ethane	\$/bbl	6.03	-0.28	0.00	0.00	6.31	314	5	198	5
Total: NGL	\$/bbl	21.66	4.18	2.08	0.00	15.40	2,926	45	1,768	43
Total: Oil+NGL	\$/bbl	21.66	4.18	2.08	0.00	15.40	4,078	63	2,562	62
Total: Oil Eq.	\$/boe	17.18	1.72	10.63	0.00	4.83	6,514	100	4,122	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Net Present Value Before Income Tax								
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		
	Initial	Average					M\$	\$/boe	
Crown Royalty	16.1313	11.5151	0	1,605	1,108	179	929	3.33	
Non-crown Royalty	0.0000	0.0000	5	1,323	1,106	173	934	3.34	
Mineral Tax	0.0000	0.0000	8	1,192	1,065	169	896	3.21	
			10	1,117	1,032	167	865	3.09	
			12	1,050	996	165	831	2.97	
			15	961	942	162	779	2.79	
			20	840	855	158	698	2.50	

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:51

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: CGU 1 - West Central Alta

Reserve Class: Proved
 Development Class: Undeveloped
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Solution Gas Production				Residue Gas Production			
	Company Wells		Company Daily bbbl/d	Company Yearly Mbbbl	Net Yearly Mbbbl	Price \$/bbl	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
	Oil	Gas												
2020	0	1	0	0	0	0.00	0	0	0	0.00	2,326	424	403	2.38
2021	0	8	0	0	0	0.00	0	0	0	0.00	12,163	4,440	4,218	2.53
2022	0	11	0	0	0	0.00	0	0	0	0.00	12,105	4,418	4,191	2.78
2023	1	16	40	14	14	66.72	94	34	33	2.78	14,424	5,265	4,990	2.84
2024	1	16	27	10	9	68.06	64	23	22	2.83	9,209	3,361	3,178	2.89
2025	1	16	16	6	5	69.42	37	13	13	2.89	6,927	2,528	2,381	2.95
2026	1	16	11	4	4	70.81	26	10	9	2.95	5,648	2,061	1,916	3.01
2027	1	16	9	3	3	72.23	21	8	7	3.01	4,761	1,738	1,606	3.07
2028	1	16	7	3	2	73.67	17	6	6	3.07	4,082	1,490	1,376	3.13
2029	1	16	6	2	2	75.14	15	5	5	3.13	3,517	1,284	1,194	3.19
2030	1	16	5	2	2	76.64	13	5	4	3.19	3,062	1,118	1,044	3.25
2031	1	16	5	2	2	78.18	11	4	4	3.25	2,683	979	917	3.32
2032	1	16	4	2	1	79.74	10	4	4	3.32	2,370	865	812	3.38
2033	1	16	4	1	1	81.34	9	3	3	3.38	2,093	764	719	3.45
2034	1	16	3	1	1	82.96	8	3	3	3.45	1,863	680	641	3.52
2035	1	16	3	1	1	84.62	7	3	3	3.52	1,664	607	573	3.59
2036	1	16	3	1	1	86.31	7	2	2	3.59	1,497	546	516	3.66
2037	1	16	3	1	1	88.04	6	2	2	3.66	1,344	490	463	3.74
2038	1	15	2	1	1	89.80	5	2	2	3.74	1,153	421	398	3.81
2039	0	14	0	0	0	0.00	0	0	0	0.00	1,008	368	348	3.89
2040	0	14	0	0	0	0.00	0	0	0	0.00	900	328	310	3.96
2041	0	14	0	0	0	0.00	0	0	0	0.00	817	298	282	4.04
2042	0	14	0	0	0	0.00	0	0	0	0.00	731	267	252	4.12
2043	0	13	0	0	0	0.00	0	0	0	0.00	655	239	226	4.20
2044	0	8	0	0	0	0.00	0	0	0	0.00	389	142	134	4.29
2045	0	5	0	0	0	0.00	0	0	0	0.00	226	83	78	4.38
2046	0	2	0	0	0	0.00	0	0	0	0.00	80	29	27	4.50
2047	0	2	0	0	0	0.00	0	0	0	0.00	72	26	25	4.59
2048	0	1	0	0	0	0.00	0	0	0	0.00	38	14	13	4.68
2049	0	1	0	0	0	0.00	0	0	0	0.00	35	13	12	4.77
2050	0	1	0	0	0	0.00	0	0	0	0.00	17	6	6	4.87
2051	0	1	0	0	0	0.00	0	0	0	0.00	16	6	6	4.97
2052	0	1	0	0	0	0.00	0	0	0	0.00	16	6	5	5.07
2053	0	1	0	0	0	0.00	0	0	0	0.00	15	5	5	5.17
2054	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				54	51	71.92		128	121	3.00		35,311	33,266	3.03
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				54	51	71.92		128	121	3.00		35,311	33,266	3.03

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	2,326	424	403	2.38	39	7	7	51.34	17	3	3	44.38
2021	12,163	4,440	4,218	2.53	192	70	66	56.86	56	20	19	52.66
2022	12,105	4,418	4,191	2.78	191	70	65	65.85	48	17	16	62.56
2023	14,517	5,299	5,023	2.84	233	85	79	71.17	58	21	20	67.67
2024	9,273	3,385	3,200	2.89	148	54	50	72.67	37	14	12	69.08
2025	6,963	2,542	2,394	2.95	111	41	37	74.21	28	10	9	70.55
2026	5,674	2,071	1,925	3.01	91	33	28	75.77	23	8	7	72.04
2027	4,782	1,745	1,614	3.07	76	28	23	77.37	19	7	6	73.55
2028	4,100	1,496	1,382	3.13	65	24	19	79.00	17	6	5	75.09
2029	3,531	1,289	1,199	3.19	56	21	17	80.67	14	5	4	76.65
2030	3,075	1,122	1,048	3.25	49	18	15	82.36	12	5	4	78.25
2031	2,694	983	921	3.32	43	16	13	84.01	11	4	3	79.80
2032	2,381	869	816	3.38	38	14	12	85.69	10	4	3	81.40
2033	2,103	767	722	3.45	34	12	11	87.40	9	3	3	83.03
2034	1,871	683	644	3.52	30	11	10	89.15	8	3	2	84.70
2035	1,672	610	576	3.59	27	10	9	90.93	7	2	2	86.41
2036	1,503	549	518	3.66	24	9	8	92.75	6	2	2	88.16
2037	1,350	493	465	3.74	22	8	7	94.60	5	2	2	89.96
2038	1,159	423	400	3.81	18	7	6	96.50	5	2	2	91.69
2039	1,008	368	348	3.89	16	6	5	98.45	4	1	1	93.49
2040	900	328	310	3.96	14	5	5	100.42	4	1	1	95.37
2041	817	298	282	4.04	13	5	4	102.42	3	1	1	97.32
2042	731	267	252	4.12	12	4	4	104.46	3	1	1	99.37
2043	655	239	226	4.20	11	4	4	106.52	2	1	1	101.59
2044	389	142	134	4.29	6	2	2	108.78	2	1	1	102.72
2045	226	83	78	4.38	4	1	1	111.16	1	0	0	103.61
2046	80	29	27	4.50	1	0	0	114.27	1	0	0	102.74
2047	72	26	25	4.59	1	0	0	116.56	1	0	0	104.79
2048	38	14	13	4.68	1	0	0	118.89	0	0	0	106.89
2049	35	13	12	4.77	1	0	0	121.26	0	0	0	109.03
2050	17	6	6	4.87	0	0	0	123.69	0	0	0	111.21
2051	16	6	6	4.97	0	0	0	126.16	0	0	0	113.43
2052	16	6	5	5.07	0	0	0	128.69	0	0	0	115.70
2053	15	5	5	5.17	0	0	0	131.26	0	0	0	118.01
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		35,439	33,387	3.03		565	510	74.89		146	131	70.44
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		35,439	33,387	3.03		565	510	74.89		146	131	70.44

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	26	5	4	14.99	41	8	7	14.84	13	2	2	5.53
2021	133	49	46	27.33	174	64	60	19.12	177	65	61	6.27
2022	133	49	46	36.64	165	60	56	22.89	201	73	70	6.95
2023	161	59	55	41.55	202	74	69	23.93	242	88	84	7.13
2024	103	38	35	42.36	129	47	43	24.37	154	56	53	7.26
2025	77	28	26	43.22	97	35	31	24.87	115	42	40	7.40
2026	63	23	20	44.10	79	29	24	25.36	94	34	32	7.55
2027	53	19	16	44.96	66	24	19	25.86	79	29	27	7.70
2028	45	17	14	45.84	57	21	16	26.35	68	25	23	7.85
2029	39	14	12	46.72	49	18	14	26.84	58	21	20	8.01
2030	34	12	11	47.63	43	16	13	27.36	50	18	17	8.16
2031	30	11	10	48.57	38	14	11	27.90	44	16	15	8.33
2032	26	10	9	49.54	33	12	10	28.45	39	14	14	8.49
2033	23	8	8	50.54	29	11	9	29.03	35	13	12	8.66
2034	21	8	7	51.56	26	10	8	29.63	31	11	11	8.84
2035	19	7	6	52.62	23	8	7	30.24	28	10	10	9.01
2036	17	6	6	53.70	21	8	7	30.87	25	9	9	9.20
2037	15	5	5	54.81	19	7	6	31.53	22	8	8	9.38
2038	13	5	4	55.83	16	6	5	32.08	19	7	7	9.57
2039	11	4	4	56.91	14	5	4	32.64	16	6	6	9.73
2040	10	4	3	58.05	12	5	4	33.30	15	5	5	9.92
2041	9	3	3	59.28	11	4	4	34.03	13	5	5	10.12
2042	8	3	3	60.49	10	4	3	34.82	12	4	4	10.32
2043	7	3	3	62.02	9	3	3	35.79	11	4	4	10.54
2044	4	2	1	61.97	6	2	2	35.39	6	2	2	10.73
2045	3	1	1	61.14	3	1	1	34.41	3	1	1	10.90
2046	1	0	0	52.92	1	1	0	29.04	0	0	0	10.59
2047	1	0	0	53.98	1	0	0	29.62	0	0	0	10.80
2048	0	0	0	55.06	1	0	0	30.21	0	0	0	11.01
2049	0	0	0	56.16	1	0	0	30.82	0	0	0	11.23
2050	0	0	0	57.28	0	0	0	31.43	0	0	0	11.46
2051	0	0	0	58.42	0	0	0	32.06	0	0	0	11.69
2052	0	0	0	59.59	0	0	0	32.70	0	0	0	11.92
2053	0	0	0	60.79	0	0	0	33.36	0	0	0	12.16
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		392	357	42.36		496	440	25.02		572	542	7.60
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		392	357	42.36		496	440	25.02		572	542	7.60

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	137	25	24	28.25	137	25	24	28.25	525	96	91	17.91
2021	732	267	254	29.93	732	267	254	29.93	2,759	1,007	957	19.07
2022	738	269	253	34.71	738	269	253	34.71	2,755	1,006	952	21.50
2023	896	327	307	37.64	936	342	321	38.87	3,355	1,225	1,158	23.12
2024	572	209	193	38.43	599	219	203	39.76	2,144	783	736	23.59
2025	428	156	143	39.24	444	162	148	40.29	1,605	586	547	23.95
2026	349	127	110	40.06	360	131	114	41.01	1,306	477	435	24.39
2027	294	107	91	40.90	303	110	94	41.80	1,100	401	363	24.86
2028	252	92	77	41.76	259	95	80	42.65	942	344	310	25.35
2029	217	79	68	42.63	223	81	70	43.53	811	296	270	25.85
2030	189	69	60	43.52	194	71	62	44.44	707	258	236	26.36
2031	165	60	53	44.40	170	62	55	45.34	619	226	208	26.90
2032	146	53	47	45.28	150	55	49	46.27	547	200	185	27.44
2033	129	47	42	46.18	133	49	44	47.21	483	176	164	28.00
2034	115	42	38	47.10	118	43	39	48.15	430	157	146	28.56
2035	103	37	34	48.03	106	39	35	49.11	384	140	131	29.13
2036	92	34	31	48.97	95	35	32	50.08	346	126	118	29.71
2037	83	30	28	49.94	86	31	29	51.06	310	113	106	30.30
2038	71	26	24	50.97	74	27	25	52.17	267	97	91	30.94
2039	62	23	21	52.10	62	23	21	52.10	230	84	79	31.05
2040	55	20	18	53.14	55	20	18	53.14	205	75	70	31.67
2041	50	18	17	54.17	50	18	17	54.17	186	68	64	32.30
2042	45	17	15	55.18	45	17	15	55.18	167	61	57	32.97
2043	41	15	14	56.14	41	15	14	56.14	150	55	51	33.59
2044	24	9	8	57.85	24	9	8	57.85	89	32	30	34.41
2045	14	5	5	59.97	14	5	5	59.97	52	19	18	35.33
2046	5	2	2	65.71	5	2	2	65.71	18	7	6	37.10
2047	4	2	1	67.03	4	2	1	67.03	16	6	6	37.84
2048	2	1	1	68.37	2	1	1	68.37	9	3	3	38.60
2049	2	1	1	69.74	2	1	1	69.74	8	3	3	39.37
2050	1	0	0	71.13	1	0	0	71.13	4	1	1	40.16
2051	1	0	0	72.55	1	0	0	72.55	4	1	1	40.96
2052	1	0	0	74.00	1	0	0	74.00	4	1	1	41.78
2053	1	0	0	75.48	1	0	0	75.48	3	1	1	42.61
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		2,170	1,980	39.60		2,224	2,031	40.39		8,131	7,596	24.24
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		2,170	1,980	39.60		2,224	2,031	40.39		8,131	7,596	24.24

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty Interest Total M\$	Company Interest Total M\$	Royalty Interest Expense M\$	Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process. M\$	Net Revenue After Royalty M\$	Operating Expenses		
	Working Interest							Crown M\$	Other M\$	Crown M\$	Other M\$			Fixed M\$	Variable M\$	Total M\$
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$												
2020	0	1,009	706	1,715	0	1,715	0	92	0	33	0	59	1,656	9	544	553
2021	0	11,213	7,993	19,206	0	19,206	-2	984	0	213	0	771	18,437	337	4,823	5,160
2022	0	12,278	9,344	21,622	0	21,622	0	1,230	0	241	0	989	20,633	612	4,497	5,109
2023	964	15,035	12,312	28,310	0	28,310	0	1,659	0	317	0	1,342	26,968	970	5,658	6,628
2024	670	9,774	8,018	18,462	0	18,462	0	1,227	0	260	0	967	17,496	1,044	3,701	4,745
2025	393	7,495	6,137	14,025	0	14,025	0	1,074	0	233	0	841	13,185	1,065	2,816	3,880
2026	287	6,234	5,101	11,622	0	11,622	0	1,266	0	248	0	1,019	10,603	1,086	2,334	3,420
2027	230	5,359	4,387	9,975	0	9,975	0	1,229	0	234	0	995	8,981	1,108	2,005	3,112
2028	194	4,685	3,838	8,717	0	8,717	0	1,112	0	213	0	899	7,818	1,130	1,754	2,884
2029	168	4,114	3,374	7,656	0	7,656	0	891	0	175	0	716	6,940	1,152	1,542	2,695
2030	150	3,650	2,998	6,798	0	6,798	0	723	0	140	0	582	6,216	1,176	1,371	2,547
2031	136	3,263	2,680	6,079	0	6,079	0	599	0	106	0	493	5,586	1,199	1,227	2,426
2032	125	2,940	2,415	5,481	0	5,481	0	501	0	85	0	416	5,065	1,223	1,106	2,329
2033	115	2,649	2,176	4,939	0	4,939	0	420	0	64	0	356	4,584	1,247	996	2,244
2034	105	2,404	1,975	4,484	0	4,484	0	360	0	55	0	305	4,179	1,272	904	2,176
2035	97	2,191	1,800	4,088	0	4,088	0	314	0	48	0	266	3,822	1,298	823	2,121
2036	89	2,010	1,652	3,750	0	3,750	0	278	0	43	0	235	3,515	1,324	754	2,078
2037	81	1,840	1,512	3,434	0	3,434	0	247	0	38	0	209	3,225	1,350	690	2,040
2038	75	1,612	1,325	3,011	0	3,011	0	214	0	33	0	181	2,831	1,258	606	1,865
2039	0	1,430	1,172	2,602	0	2,602	0	185	0	29	0	156	2,446	1,137	528	1,665
2040	0	1,302	1,068	2,370	0	2,370	0	167	0	26	0	141	2,229	1,124	481	1,605
2041	0	1,206	989	2,195	0	2,195	0	154	0	24	0	130	2,065	1,147	444	1,591
2042	0	1,099	912	2,011	0	2,011	0	141	0	21	0	120	1,891	1,150	401	1,551
2043	0	1,004	832	1,836	0	1,836	0	129	0	19	0	110	1,726	1,144	363	1,507
2044	0	608	507	1,115	0	1,115	0	81	0	13	0	68	1,047	689	227	916
2045	0	362	303	665	0	665	0	49	0	9	0	41	624	411	142	552
2046	0	131	113	243	0	243	0	19	0	5	0	14	229	121	62	182
2047	0	120	103	223	0	223	0	17	0	4	0	13	210	123	57	180
2048	0	65	56	121	0	121	0	10	0	2	0	7	113	63	31	94
2049	0	60	52	112	0	112	0	9	0	2	0	7	105	65	28	93
2050	0	31	26	57	0	57	0	5	0	1	0	4	53	32	14	47
2051	0	30	25	55	0	55	0	5	0	1	0	4	52	33	14	47
2052	0	29	25	54	0	54	0	5	0	1	0	4	50	34	14	47
2053	0	28	24	52	0	52	0	5	0	1	0	3	48	34	13	47
2054	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2055	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2056	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2057	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2058	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2059	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2060	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	3,880	107,257	85,951	197,089	0	197,089	-2	15,399	0	2,936	0	12,463	184,628	27,167	40,969	68,136
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	3,880	107,257	85,951	197,089	0	197,089	-2	15,399	0	2,936	0	12,463	184,628	27,167	40,969	68,136
Disc	2,147	61,621	48,708	112,476	0	112,476	-1	8,207	0	1,624	0	6,583	105,894	9,092	23,782	32,875

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	1,103	0	0	1,103	4,150	485	375	5,010	-3,907	-3,907	-3,815
2021	0	0	0	13,276	0	0	13,276	24,340	1,209	1,800	27,349	-14,073	-17,979	-16,608
2022	0	0	0	15,523	0	0	15,523	13,283	596	794	14,672	851	-17,128	-15,905
2023	0	0	0	20,340	0	0	20,340	16,478	832	1,196	18,506	1,834	-15,294	-14,527
2024	0	0	0	12,750	0	0	12,750	0	0	0	0	12,750	-2,544	-5,818
2025	0	0	0	9,304	0	14	9,291	0	0	0	0	9,291	6,747	-49
2026	0	0	0	7,183	0	0	7,183	0	0	0	0	7,183	13,929	4,005
2027	0	0	0	5,868	0	-14	5,882	0	0	0	0	5,882	19,812	7,024
2028	0	0	0	4,934	0	0	4,934	0	0	0	0	4,934	24,746	9,326
2029	0	0	0	4,245	0	0	4,245	0	0	0	0	4,245	28,991	11,126
2030	0	0	0	3,669	0	0	3,669	0	0	0	0	3,669	32,660	12,540
2031	0	0	0	3,161	0	0	3,161	0	0	0	0	3,161	35,821	13,648
2032	0	0	0	2,736	0	0	2,736	0	0	0	0	2,736	38,557	14,520
2033	0	0	0	2,340	0	0	2,340	0	0	0	0	2,340	40,897	15,198
2034	0	0	0	2,003	0	0	2,003	0	0	0	0	2,003	42,900	15,725
2035	0	0	0	1,701	0	0	1,701	0	0	0	0	1,701	44,601	16,133
2036	0	0	0	1,437	0	0	1,437	0	0	0	0	1,437	46,038	16,445
2037	0	0	0	1,185	0	0	1,185	0	0	0	0	1,185	47,224	16,680
2038	0	0	0	966	0	0	966	0	0	0	0	966	48,189	16,854
2039	0	0	0	781	0	0	781	0	0	0	0	781	48,971	16,981
2040	0	0	0	625	0	0	625	0	0	0	0	625	49,595	17,074
2041	0	0	0	474	0	0	474	0	0	0	0	474	50,069	17,138
2042	0	0	0	340	0	258	83	0	0	0	0	83	50,152	17,148
2043	0	0	0	219	0	306	-88	0	0	0	0	-88	50,064	17,139
2044	0	0	0	131	0	77	54	0	0	0	0	54	50,118	17,144
2045	0	0	0	72	0	0	72	0	0	0	0	72	50,190	17,151
2046	0	0	0	47	0	49	-2	0	0	0	0	-2	50,188	17,150
2047	0	0	0	30	0	111	-81	0	0	0	0	-81	50,107	17,144
2048	0	0	0	19	0	1,034	-1,015	0	0	0	0	-1,015	49,092	17,074
2049	0	0	0	12	0	633	-621	0	0	0	0	-621	48,472	17,035
2050	0	0	0	7	0	646	-639	0	0	0	0	-639	47,832	16,998
2051	0	0	0	5	0	0	5	0	0	0	0	5	47,837	16,998
2052	0	0	0	3	0	235	-232	0	0	0	0	-232	47,605	16,987
2053	0	0	0	1	0	0	1	0	0	0	0	1	47,606	16,987
2054	0	0	0	0	0	127	-127	0	0	0	0	-127	47,478	16,982
2055	0	0	0	0	0	0	0	0	0	0	0	0	47,478	16,982
2056	0	0	0	0	0	0	0	0	0	0	0	0	47,478	16,982
2057	0	0	0	0	0	0	0	0	0	0	0	0	47,478	16,982
2058	0	0	0	0	0	132	-132	0	0	0	0	-132	47,346	16,979
2059	0	0	0	0	0	0	0	0	0	0	0	0	47,346	16,979
2060	0	0	0	0	0	0	0	0	0	0	0	0	47,346	16,979
2061	0	0	0	0	0	0	0	0	0	0	0	0	47,346	16,979
2062	0	0	0	0	0	0	0	0	0	0	0	0	47,346	16,979
2063	0	0	0	0	0	0	0	0	0	0	0	0	47,346	16,979
2064	0	0	0	0	0	0	0	0	0	0	0	0	47,346	16,979
2065	0	0	0	0	0	0	0	0	0	0	0	0	47,346	16,979
2066	0	0	0	0	0	0	0	0	0	0	0	0	47,346	16,979
2067	0	0	0	0	0	0	0	0	0	0	0	0	47,346	16,979
2068	0	0	0	0	0	0	0	0	0	0	0	0	47,346	16,979
2069	0	0	0	0	0	0	0	0	0	0	0	0	47,346	16,979
Sub.	0	0	0	116,492	0	3,608	112,883	58,250	3,122	4,165	65,537	47,346	47,346	16,979
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	47,346	16,979
Tot.	0	0	0	116,492	0	3,608	112,883	58,250	3,122	4,165	65,537	47,346	47,346	16,979
Disc	0	0	0	73,019	0	256	72,763	49,537	2,690	3,557	55,785	16,979	16,979	16,979

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	54	0	54	51	1.000	54	1	18.5	3.7	5.5
Solution Gas	MMcf	128	0	128	121	6.000	21	0	18.5	3.7	5.5
Residue Gas	MMcf	35,311	0	35,311	33,266	6.000	5,885	72	33.5	41.6	4.9
Total: Gas	MMcf	35,439	0	35,439	33,387	6.000	5,906	73	33.5	41.7	4.9
Gas Heat Content	BBtu	38,964	0	38,964	36,709	0.000	0	0	33.5	41.7	4.9
Condensate	Mbbl	146	0	146	131	1.000	146	2	33.5	23.0	4.8
Field Condensate (NGL)	Mbbl	565	0	565	510	1.000	565	7	33.5	39.3	4.9
Butane	Mbbl	392	0	392	357	1.000	392	5	33.5	41.5	4.9
Propane	Mbbl	496	0	496	440	1.000	496	6	33.5	32.8	4.9
Ethane	Mbbl	572	0	572	542	1.000	572	7	33.5	121.3	5.0
Total: NGL	Mbbl	2,170	0	2,170	1,980	1.000	2,170	27	33.5	43.4	4.9
Total: Oil+NGL	Mbbl	2,224	0	2,224	2,031	1.000	2,224	27	33.5	44.5	5.0
Total: Oil Eq.	Mboe	8,131	0	8,131	7,596	1.000	8,131	100	33.5	42.5	4.9

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	3,681	2	2,037	2
Solution Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	375	0	207	0
Residue Gas	\$/Mcf	2.38	0.06	1.17	0.00	1.14	102,687	56	59,061	56
Total: Gas	\$/Mcf	2.38	0.06	1.17	0.00	1.14	103,062	56	59,268	56
Condensate	\$/bbl	44.38	1.40	0.00	0.00	42.98	9,378	5	5,406	5
Field Condensate (NGL)	\$/bbl	51.34	2.47	7.70	0.00	41.17	38,165	21	21,866	21
Butane	\$/bbl	14.99	0.90	0.00	0.00	14.09	15,257	8	8,592	8
Propane	\$/bbl	14.84	0.84	0.00	0.00	14.00	10,897	6	6,340	6
Ethane	\$/bbl	5.53	0.17	0.00	0.00	5.36	4,187	2	2,385	2
Total: NGL	\$/bbl	28.25	1.33	2.22	0.00	24.71	77,884	42	44,589	42
Total: Oil+NGL	\$/bbl	28.25	1.33	2.22	0.00	24.71	81,566	44	46,626	44
Total: Oil Eq.	\$/boe	17.91	0.62	5.19	0.00	12.10	184,628	100	105,894	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Revenue Burdens (%)		Net Present Value Before Income Tax					
	Initial	Average	Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
							M\$	\$/boe
Crown Royalty	5.3430	7.8134	0	116,492	112,883	65,537	47,346	5.82
Non-crown Royalty	0.0000	0.0000	5	90,039	89,122	60,290	28,832	3.55
Mineral Tax	0.0000	0.0000	8	79,032	78,610	57,508	21,102	2.60
			10	73,019	72,763	55,785	16,979	2.09
			12	67,823	67,665	54,158	13,508	1.66
			15	61,233	61,155	51,882	9,273	1.14
			20	52,611	52,585	48,476	4,109	0.51

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:53

Company: **Evaluation of Gain Energy Ltd. for i3 Energy**
 Property: **Corporate**
 Description: **CGU 1 - West Central Alta**

Reserve Class: **Proved**
 Development Class: **Total**
 Pricing: **Sproule (2020-06-30)**
 Effective Date: **June 30, 2020**

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Total Oil Production				Solution Gas Production			
	Company Wells		Company Daily bbl/d	Company Yearly Mbbbl	Net Yearly Mbbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbbl	Net Yearly Mbbbl	Price \$/bbl	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
	Oil	Gas												
2020	63	124	317	58	56	42.29	327	60	58	42.13	1,396	255	233	2.35
2021	40	95	264	96	93	48.49	264	96	93	48.48	1,182	431	396	2.51
2022	40	99	229	83	79	58.77	234	86	81	58.63	994	363	336	2.77
2023	40	102	239	87	83	64.23	258	94	89	63.80	923	337	313	2.82
2024	37	98	204	75	71	65.34	218	80	76	64.97	763	279	259	2.88
2025	36	94	172	63	60	66.52	182	67	63	66.19	620	226	210	2.94
2026	31	93	137	50	47	68.36	145	53	50	68.01	495	181	168	3.00
2027	28	92	120	44	40	69.64	120	44	40	69.64	416	152	144	3.07
2028	27	90	105	38	35	70.89	105	38	35	70.89	353	129	122	3.12
2029	23	86	91	33	31	72.09	91	33	31	72.09	299	109	104	3.18
2030	20	77	81	30	27	73.56	81	30	27	73.56	263	96	91	3.24
2031	18	75	70	26	24	74.84	70	26	24	74.84	223	81	77	3.31
2032	14	69	55	20	18	77.90	55	20	18	77.90	154	56	53	3.34
2033	11	64	46	17	15	80.16	46	17	15	80.16	97	36	33	3.38
2034	9	60	39	14	13	81.51	39	14	13	81.51	82	30	28	3.43
2035	8	56	34	12	11	83.56	34	12	11	83.56	73	27	25	3.50
2036	6	44	30	11	10	85.74	30	11	10	85.74	64	23	22	3.56
2037	6	40	28	10	9	87.46	28	10	9	87.46	56	21	19	3.62
2038	4	35	23	8	7	89.48	23	8	7	89.48	43	16	14	3.70
2039	3	33	17	6	6	91.01	17	6	6	91.01	32	12	11	3.75
2040	2	27	15	5	5	92.61	15	5	5	92.61	29	10	10	3.82
2041	2	26	14	5	5	94.47	14	5	5	94.47	27	10	9	3.89
2042	2	23	13	5	4	96.37	13	5	4	96.37	26	9	9	3.97
2043	1	22	10	4	3	100.67	10	4	3	100.67	19	7	6	4.03
2044	1	15	9	3	3	102.66	9	3	3	102.66	18	6	6	4.11
2045	1	10	9	3	3	104.71	9	3	3	104.71	17	6	6	4.19
2046	1	7	8	3	2	106.74	8	3	2	106.74	15	6	5	4.27
2047	1	5	7	3	2	108.85	7	3	2	108.85	14	5	5	4.36
2048	1	3	7	3	2	111.08	7	3	2	111.08	12	4	4	4.41
2049	1	2	6	2	2	113.30	6	2	2	113.30	11	4	4	4.50
2050	1	1	6	2	2	115.56	6	2	2	115.56	11	4	4	4.59
2051	1	1	6	2	2	117.86	6	2	2	117.86	10	4	3	4.68
2052	1	1	6	2	2	120.21	6	2	2	120.21	10	4	3	4.78
2053	1	1	5	2	2	122.61	5	2	2	122.61	9	3	3	4.87
2054	1	0	5	2	2	125.06	5	2	2	125.06	9	3	3	4.97
2055	1	0	5	2	1	127.55	5	2	1	127.55	8	3	3	5.07
2056	1	0	4	2	1	130.10	4	2	1	130.10	8	3	3	5.17
2057	1	0	4	2	1	132.69	4	2	1	132.69	7	3	2	5.27
2058	1	0	4	1	1	135.34	4	1	1	135.34	7	3	2	5.38
2059	1	0	4	1	1	138.04	4	1	1	138.04	7	2	2	5.49
2060	0	0	2	1	1	142.47	2	1	1	142.47	2	1	1	5.52
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				837	782	67.64		859	804	67.36		2,959	2,751	2.92
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				837	782	67.64		859	804	67.36		2,959	2,751	2.92

Year	Residue Gas Production				Total Sales Gas Production				Field Condensate (NGL) Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	19,625	3,582	3,306	2.32	21,068	3,845	3,547	2.32	278	51	42	49.19
2021	26,190	9,559	8,920	2.49	27,372	9,991	9,316	2.49	387	141	121	56.12
2022	24,378	8,898	8,307	2.74	25,374	9,262	8,644	2.75	361	132	112	65.20
2023	25,213	9,203	8,613	2.81	26,140	9,541	8,928	2.81	381	139	120	70.61
2024	18,675	6,816	6,360	2.85	19,441	7,096	6,620	2.85	277	101	85	72.02
2025	15,247	5,565	5,184	2.90	15,869	5,792	5,395	2.91	223	81	68	73.50
2026	13,111	4,785	4,434	2.96	13,607	4,967	4,602	2.96	189	69	56	75.03
2027	11,516	4,203	3,919	3.02	11,932	4,355	4,063	3.02	165	60	52	76.58
2028	10,165	3,710	3,462	3.07	10,518	3,839	3,584	3.08	144	53	46	78.18
2029	8,889	3,244	3,037	3.13	9,188	3,354	3,141	3.13	124	45	40	79.87
2030	7,702	2,811	2,637	3.19	7,965	2,907	2,728	3.19	106	39	34	81.65
2031	6,828	2,492	2,340	3.25	7,051	2,574	2,417	3.25	94	34	31	83.29
2032	5,935	2,166	2,036	3.31	6,089	2,223	2,089	3.31	80	29	26	85.10
2033	5,193	1,895	1,783	3.38	5,290	1,931	1,816	3.38	69	25	23	86.85
2034	4,563	1,665	1,569	3.44	4,645	1,695	1,597	3.44	60	22	20	88.61
2035	4,055	1,480	1,395	3.51	4,128	1,507	1,420	3.51	52	19	17	90.46
2036	2,824	1,031	969	3.64	2,887	1,054	991	3.64	43	16	14	92.25
2037	2,404	877	825	3.71	2,460	898	844	3.71	37	13	12	94.14
2038	1,985	725	681	3.78	2,028	740	695	3.78	31	11	10	96.07
2039	1,705	622	584	3.85	1,737	634	595	3.85	26	10	9	98.05
2040	1,423	519	488	3.93	1,451	530	498	3.93	22	8	7	100.07
2041	1,281	467	439	4.02	1,308	477	448	4.01	19	7	6	102.08
2042	1,078	393	369	4.08	1,104	403	378	4.08	17	6	6	104.10
2043	959	350	328	4.17	978	357	334	4.17	15	5	5	106.19
2044	616	225	210	4.25	634	231	216	4.24	9	3	3	108.32
2045	430	157	146	4.33	447	163	152	4.32	6	2	2	110.49
2046	269	98	91	4.40	284	104	96	4.39	4	1	1	112.65
2047	137	50	47	4.50	152	55	52	4.49	2	1	1	114.94
2048	87	32	29	4.60	99	36	33	4.58	1	1	0	116.97
2049	67	24	22	4.66	78	29	26	4.64	1	0	0	119.41
2050	36	13	12	4.69	47	17	15	4.66	1	0	0	121.45
2051	35	13	11	4.78	45	16	15	4.76	1	0	0	123.87
2052	26	9	9	4.93	35	13	12	4.88	1	0	0	126.70
2053	20	7	7	5.07	29	11	10	5.01	0	0	0	129.53
2054	5	2	2	4.89	14	5	5	4.94	0	0	0	130.06
2055	5	2	2	4.99	13	5	4	5.04	0	0	0	132.66
2056	5	2	2	5.09	13	5	4	5.14	0	0	0	135.32
2057	5	2	2	5.19	12	4	4	5.24	0	0	0	138.02
2058	4	2	1	5.30	11	4	4	5.35	0	0	0	140.78
2059	4	2	1	5.40	11	4	4	5.46	0	0	0	143.60
2060	2	1	1	5.51	4	2	1	5.51	0	0	0	146.50
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		77,702	72,580	2.96		80,674	75,342	2.96		1,127	971	73.24
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		77,702	72,580	2.96		80,674	75,342	2.96		1,127	971	73.24

Year	Condensate Production				Butane Production				Propane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	115	21	15	46.06	276	50	38	21.66	419	76	57	20.06
2021	134	49	38	52.59	333	122	100	27.95	476	174	140	20.03
2022	116	42	32	61.96	307	112	92	36.46	429	156	126	23.10
2023	116	42	33	67.24	314	114	95	41.53	432	158	129	24.19
2024	88	32	24	68.57	235	86	70	42.34	329	120	96	24.70
2025	72	26	19	69.99	192	70	56	43.21	270	99	77	25.23
2026	62	22	16	71.46	164	60	46	44.07	231	84	64	25.74
2027	54	20	17	72.94	144	53	47	44.92	203	74	64	26.27
2028	48	17	15	74.47	127	46	41	45.83	179	65	56	26.81
2029	42	15	13	76.00	110	40	36	46.71	155	57	49	27.30
2030	37	13	12	77.53	94	34	31	47.62	134	49	43	27.80
2031	32	12	10	79.17	83	30	28	48.59	117	43	38	28.35
2032	28	10	9	80.64	70	26	23	49.52	99	36	32	28.80
2033	23	8	8	82.29	59	22	20	50.40	84	31	27	29.32
2034	20	7	7	84.00	51	19	17	51.43	73	27	24	29.93
2035	18	7	6	85.67	44	16	15	52.36	63	23	20	30.54
2036	14	5	5	87.10	37	13	12	53.48	52	19	17	31.27
2037	12	4	4	88.72	31	11	11	54.40	45	16	14	31.86
2038	10	4	3	90.41	26	10	9	55.36	37	14	12	32.62
2039	8	3	3	92.08	22	8	8	56.39	31	11	10	33.14
2040	7	3	2	93.84	18	7	6	57.47	25	9	8	33.87
2041	7	2	2	95.66	17	6	6	58.59	23	8	7	34.53
2042	5	2	2	97.45	14	5	5	59.69	19	7	6	35.35
2043	5	2	2	99.39	13	5	4	60.97	17	6	5	36.15
2044	4	1	1	100.33	8	3	3	60.91	12	4	4	36.24
2045	3	1	1	101.51	6	2	2	60.86	9	3	3	36.37
2046	2	1	1	102.42	4	2	1	59.89	6	2	2	36.21
2047	1	0	0	106.22	2	1	1	61.81	4	1	1	36.48
2048	1	0	0	108.70	2	1	0	63.75	2	1	1	37.85
2049	0	0	0	110.42	1	0	0	64.25	2	1	1	38.36
2050	0	0	0	111.89	1	0	0	67.41	1	1	0	40.46
2051	0	0	0	114.14	1	0	0	68.77	1	1	0	41.28
2052	0	0	0	115.96	1	0	0	68.91	1	0	0	41.27
2053	0	0	0	117.97	0	0	0	69.15	1	0	0	41.30
2054	0	0	0	120.27	0	0	0	75.08	1	0	0	46.02
2055	0	0	0	122.67	0	0	0	76.58	0	0	0	46.94
2056	0	0	0	125.13	0	0	0	78.11	0	0	0	47.88
2057	0	0	0	127.63	0	0	0	79.68	0	0	0	48.84
2058	0	0	0	130.19	0	0	0	81.27	0	0	0	49.82
2059	0	0	0	132.79	0	0	0	82.90	0	0	0	50.81
2060	0	0	0	144.36	0	0	0	87.37	0	0	0	52.59
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		375	300	69.26		975	824	41.58		1,379	1,136	25.34
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		375	300	69.26		975	824	41.58		1,379	1,136	25.34

Year	Ethane Production				Natural Gas Liquids Production				Oil + Liquids Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	387	71	66	5.99	1,476	269	218	24.19	1,803	329	276	27.45
2021	496	181	170	6.36	1,827	667	569	27.79	2,091	763	663	30.41
2022	479	175	165	7.02	1,691	617	526	32.61	1,926	703	607	35.77
2023	487	178	168	7.18	1,730	632	545	35.67	1,988	726	635	39.32
2024	367	134	126	7.32	1,297	473	401	36.06	1,516	553	477	40.23
2025	302	110	104	7.47	1,059	387	324	36.64	1,242	453	387	40.98
2026	259	94	89	7.62	905	330	271	37.29	1,050	383	321	41.53
2027	227	83	78	7.78	792	289	258	38.01	912	333	298	42.16
2028	200	73	69	7.94	697	254	227	38.74	802	293	262	42.95
2029	173	63	60	8.09	604	221	198	39.54	696	254	229	43.80
2030	149	54	51	8.25	520	190	172	40.34	602	220	199	44.83
2031	130	48	45	8.41	456	167	151	41.19	526	192	175	45.67
2032	111	40	38	8.58	387	141	129	42.07	442	161	147	46.50
2033	95	35	33	8.75	330	120	110	42.90	376	137	125	47.47
2034	82	30	28	8.93	285	104	95	43.80	324	118	108	48.34
2035	71	26	24	9.11	248	90	83	44.89	282	103	94	49.57
2036	61	22	21	9.29	207	75	69	45.12	237	86	79	50.26
2037	52	19	18	9.48	176	64	59	46.08	204	74	68	51.69
2038	44	16	15	9.68	147	54	49	46.95	170	62	57	52.64
2039	36	13	13	9.81	125	46	42	48.19	142	52	47	53.37
2040	30	11	10	10.00	102	37	34	49.34	117	43	39	54.88
2041	26	10	9	10.20	91	33	30	50.54	106	39	35	56.44
2042	23	8	8	10.41	79	29	26	51.37	92	34	30	57.92
2043	20	7	7	10.61	69	25	23	52.65	79	29	26	58.70
2044	13	5	4	10.83	45	17	15	53.42	55	20	18	61.77
2045	9	3	3	11.05	32	12	11	54.28	41	15	13	64.99
2046	5	2	2	11.30	22	8	7	54.40	30	11	10	68.33
2047	4	1	1	11.54	13	5	4	53.05	20	7	7	73.31
2048	3	1	1	11.79	8	3	3	53.23	15	6	5	79.10
2049	2	1	1	12.02	7	3	2	54.59	13	5	4	83.07
2050	2	1	1	12.32	5	2	2	52.18	11	4	3	87.01
2051	2	1	1	12.57	5	2	2	53.20	11	4	3	88.65
2052	1	0	0	12.80	3	1	1	56.10	9	3	3	95.46
2053	1	0	0	13.02	3	1	1	58.94	8	3	2	100.93
2054	1	0	0	13.39	2	1	1	52.13	7	2	2	106.08
2055	1	0	0	13.66	2	1	1	53.18	6	2	2	108.14
2056	1	0	0	13.93	2	1	1	54.24	6	2	2	110.24
2057	1	0	0	14.21	2	1	0	55.33	6	2	2	112.38
2058	1	0	0	14.49	1	1	0	56.44	5	2	2	114.55
2059	1	0	0	14.78	1	0	0	57.57	5	2	2	116.76
2060	0	0	0	15.09	1	0	0	56.01	3	1	1	121.53
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		1,517	1,429	7.62		5,372	4,660	36.40		6,232	5,464	40.67
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		1,517	1,429	7.62		5,372	4,660	36.40		6,232	5,464	40.67

Oil Equivalent Production

Year	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	5,315	970	867	18.53
2021	6,653	2,428	2,215	19.82
2022	6,155	2,246	2,048	22.51
2023	6,345	2,316	2,123	23.89
2024	4,756	1,736	1,580	24.47
2025	3,887	1,419	1,286	24.96
2026	3,318	1,211	1,088	25.30
2027	2,901	1,059	975	25.68
2028	2,555	932	859	26.14
2029	2,227	813	752	26.61
2030	1,929	704	653	27.15
2031	1,702	621	577	27.61
2032	1,457	532	495	27.96
2033	1,257	459	428	28.38
2034	1,098	401	375	28.82
2035	970	354	331	29.33
2036	718	262	244	31.21
2037	614	224	209	32.04
2038	508	186	173	32.70
2039	431	157	146	33.06
2040	359	131	122	33.82
2041	323	118	110	34.64
2042	276	101	93	35.64
2043	242	88	82	35.97
2044	160	59	54	37.85
2045	116	42	39	39.87
2046	77	28	26	42.54
2047	46	17	15	47.59
2048	32	12	10	52.32
2049	26	10	9	55.82
2050	19	7	6	62.67
2051	18	7	6	63.83
2052	15	5	5	69.37
2053	13	5	4	73.93
2054	9	3	3	86.51
2055	9	3	3	88.16
2056	8	3	3	89.83
2057	8	3	2	91.52
2058	7	3	2	93.25
2059	7	3	2	95.00
2060	3	1	1	102.22
2061	0	0	0	0.00
2062	0	0	0	0.00
2063	0	0	0	0.00
2064	0	0	0	0.00
2065	0	0	0	0.00
2066	0	0	0	0.00
2067	0	0	0	0.00
2068	0	0	0	0.00
2069	0	0	0	0.00
Sub.		19,677	18,021	25.00
Rem.		0	0	0.00
Tot.		19,677	18,021	25.00

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Total	Total	Expense	Crown	Other	Crown	Other	After	After			
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	2,435	8,820	6,427	17,683	286	17,969	34	2,155	144	753	32	1,514	16,422	5,424	5,420	10,844
2021	4,528	24,741	18,380	47,649	471	48,120	40	4,862	237	1,407	56	3,635	44,445	7,739	12,857	20,596
2022	4,872	25,266	19,976	50,114	461	50,575	35	5,326	244	1,226	51	4,293	46,247	7,521	11,594	19,115
2023	5,882	26,647	22,381	54,911	416	55,327	32	5,500	233	1,160	47	4,526	50,768	7,914	12,075	19,989
2024	5,068	20,107	16,951	42,126	354	42,480	29	4,597	207	956	43	3,805	38,647	7,815	9,426	17,240
2025	4,311	16,727	14,056	35,094	309	35,404	27	4,022	186	850	39	3,319	32,058	7,675	7,913	15,588
2026	3,519	14,621	12,227	30,368	267	30,635	22	3,883	174	802	36	3,219	27,394	7,380	6,918	14,298
2027	2,969	13,068	10,907	26,945	240	27,185	22	2,392	161	461	34	2,059	25,104	7,264	6,163	13,427
2028	2,655	11,738	9,777	24,170	208	24,378	17	2,140	141	409	29	1,843	22,518	7,185	5,552	12,738
2029	2,344	10,444	8,656	21,444	183	21,627	16	1,780	131	347	27	1,537	20,075	6,892	4,951	11,843
2030	2,138	9,216	7,603	18,957	163	19,119	15	1,507	119	294	25	1,307	17,798	6,319	4,400	10,720
2031	1,884	8,328	6,816	17,027	119	17,146	9	1,293	112	243	23	1,139	15,999	6,128	3,965	10,093
2032	1,527	7,325	5,908	14,760	108	14,868	8	1,091	101	205	20	966	13,894	5,435	3,494	8,929
2033	1,321	6,493	5,137	12,950	75	13,025	8	930	91	170	18	833	12,185	4,991	3,080	8,071
2034	1,137	5,815	4,545	11,497	55	11,552	6	807	70	149	13	715	10,831	4,652	2,755	7,407
2035	1,018	5,269	4,046	10,333	49	10,382	6	712	67	130	13	636	9,741	4,468	2,463	6,931
2036	914	3,825	3,393	8,132	44	8,176	5	566	64	91	12	526	7,645	3,592	1,739	5,330
2037	861	3,322	2,954	7,137	41	7,178	4	494	60	79	11	464	6,709	3,319	1,511	4,830
2038	724	2,785	2,519	6,028	38	6,066	4	420	56	64	11	402	5,660	2,908	1,242	4,150
2039	552	2,433	2,186	5,171	35	5,206	4	363	53	55	10	351	4,851	2,558	1,061	3,620
2040	492	2,075	1,839	4,406	31	4,437	3	323	42	46	8	311	4,123	2,232	892	3,124
2041	473	1,912	1,683	4,068	22	4,090	2	298	40	42	7	289	3,799	2,210	818	3,028
2042	456	1,641	1,473	3,570	21	3,591	2	265	39	36	7	261	3,327	2,052	700	2,753
2043	350	1,483	1,320	3,154	20	3,173	2	240	37	31	7	239	2,933	1,899	615	2,513
2044	339	979	885	2,203	14	2,216	2	176	34	23	6	181	2,034	1,285	430	1,715
2045	327	702	642	1,671	13	1,683	1	138	32	18	6	147	1,535	954	326	1,280
2046	304	454	432	1,190	7	1,197	1	104	32	13	5	117	1,079	649	235	883
2047	293	247	250	790	2	792	1	72	18	8	3	79	712	385	160	545
2048	278	165	164	607	2	609	1	61	17	5	3	70	538	259	114	374
2049	268	131	137	536	2	538	1	55	17	4	3	65	472	221	94	316
2050	259	80	96	435	0	435	1	51	16	3	3	62	373	156	74	230
2051	251	78	93	422	0	422	1	49	16	3	3	59	362	159	72	231
2052	243	63	71	377	0	377	0	47	10	3	1	53	324	125	61	186
2053	234	54	58	346	0	346	0	45	6	2	0	48	298	107	54	160
2054	227	25	33	285	0	285	0	39	6	1	0	43	242	74	39	113
2055	219	24	32	276	0	276	0	37	6	1	0	41	234	75	38	113
2056	213	24	31	268	0	268	0	36	6	1	0	40	228	77	37	114
2057	205	23	30	258	0	258	0	35	5	1	0	38	220	78	36	114
2058	198	22	30	250	0	250	0	33	5	1	0	37	213	80	35	115
2059	192	22	29	242	0	242	0	32	5	1	0	36	206	81	34	115
2060	99	8	12	119	0	119	0	20	0	1	0	20	100	27	16	44
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	56,579	237,202	194,187	487,968	4,057	492,025	358	46,995	3,040	10,094	615	39,326	452,341	130,366	113,459	243,825
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	56,579	237,202	194,187	487,968	4,057	492,025	358	46,995	3,040	10,094	615	39,326	452,341	130,366	113,459	243,825
Disc	30,780	138,051	111,412	280,243	2,517	282,760	219	28,475	1,551	6,574	327	23,125	259,417	62,673	66,762	129,435

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	9	0	-12	5,580	1,003	966	5,618	4,260	557	460	5,277	341	341	333
2021	18	0	-23	23,855	1,273	976	24,153	24,340	1,209	1,800	27,349	-3,196	-2,855	-2,573
2022	25	0	-24	27,130	1,092	995	27,227	13,283	596	846	14,724	12,503	9,647	7,760
2023	23	0	-22	30,778	887	1,015	30,650	16,478	832	1,196	18,506	12,144	21,791	16,884
2024	18	0	-20	21,408	744	1,035	21,117	0	0	0	0	21,117	42,908	31,307
2025	16	0	-18	16,473	645	8,315	8,803	0	0	0	0	8,803	51,711	36,773
2026	14	0	-17	13,099	611	1,677	12,033	0	0	0	0	12,033	63,744	43,565
2027	12	0	-19	11,684	577	1,991	10,270	0	0	0	0	10,270	74,014	48,835
2028	11	0	-18	9,787	530	2,242	8,076	0	0	0	0	8,076	82,090	52,603
2029	10	0	-16	8,239	474	2,297	6,416	0	0	0	0	6,416	88,506	55,324
2030	9	0	-15	7,084	375	2,521	4,937	0	0	0	0	4,937	93,444	57,228
2031	8	0	-14	5,911	337	2,270	3,978	0	0	0	0	3,978	97,422	58,622
2032	7	0	-13	4,971	303	2,293	2,981	0	0	0	0	2,981	100,403	59,572
2033	5	0	-12	4,121	273	2,832	1,562	0	0	0	0	1,562	101,964	60,024
2034	4	0	-11	3,431	248	3,032	647	0	0	0	0	647	102,612	60,194
2035	4	0	-10	2,816	229	1,507	1,539	0	0	0	0	1,539	104,150	60,563
2036	3	0	-9	2,320	204	2,148	377	0	0	0	0	377	104,527	60,645
2037	3	0	-6	1,883	184	1,821	246	0	0	0	0	246	104,773	60,693
2038	3	0	-6	1,514	169	1,631	52	0	0	0	0	52	104,825	60,703
2039	3	0	-6	1,235	129	4,532	-3,169	0	0	0	0	-3,169	101,656	60,185
2040	2	0	-5	1,002	120	2,220	-1,098	0	0	0	0	-1,098	100,558	60,021
2041	2	0	-5	774	111	863	23	0	0	0	0	23	100,581	60,025
2042	2	0	-5	578	104	1,143	-462	0	0	0	0	-462	100,119	59,968
2043	2	0	-5	422	97	1,133	-614	0	0	0	0	-614	99,505	59,899
2044	1	0	-4	321	89	1,426	-1,015	0	0	0	0	-1,015	98,490	59,796
2045	1	0	-4	257	83	75	266	0	0	0	0	266	98,755	59,821
2046	1	0	-4	198	77	691	-416	0	0	0	0	-416	98,340	59,786
2047	1	0	-3	169	4	507	-334	0	0	0	0	-334	98,006	59,760
2048	1	0	-3	167	4	1,374	-1,204	0	0	0	0	-1,204	96,802	59,677
2049	1	0	-3	158	4	966	-804	0	0	0	0	-804	95,998	59,626
2050	1	0	-3	145	0	688	-543	0	0	0	0	-543	95,455	59,595
2051	1	0	-2	133	0	1,830	-1,697	0	0	0	0	-1,697	93,758	59,507
2052	1	0	0	138	0	507	-370	0	0	0	0	-370	93,389	59,489
2053	1	0	0	137	0	95	42	0	0	0	0	42	93,431	59,491
2054	1	0	0	128	0	1,974	-1,846	0	0	0	0	-1,846	91,585	59,419
2055	1	0	0	120	0	20	100	0	0	0	0	100	91,686	59,422
2056	0	0	0	113	0	0	113	0	0	0	0	113	91,799	59,426
2057	0	0	0	105	0	175	-70	0	0	0	0	-70	91,729	59,424
2058	0	0	0	98	0	675	-577	0	0	0	0	-577	91,152	59,408
2059	0	0	0	90	0	0	90	0	0	0	0	90	91,242	59,411
2060	0	0	0	56	0	0	56	0	0	0	0	56	91,298	59,412
2061	0	0	0	0	0	0	0	0	0	0	0	0	91,298	59,412
2062	0	0	0	0	0	0	0	0	0	0	0	0	91,298	59,412
2063	0	0	0	0	0	0	0	0	0	0	0	0	91,298	59,412
2064	0	0	0	0	0	18	-18	0	0	0	0	-18	91,280	59,412
2065	0	0	0	0	0	1,439	-1,439	0	0	0	0	-1,439	89,841	59,392
2066	0	0	0	0	0	0	0	0	0	0	0	0	89,841	59,392
2067	0	0	0	0	0	0	0	0	0	0	0	0	89,841	59,392
2068	0	0	0	0	0	0	0	0	0	0	0	0	89,841	59,392
2069	0	0	0	0	0	3,919	-3,919	0	0	0	0	-3,919	85,922	59,355
Sub.	223	0	-337	208,629	10,982	67,834	151,777	58,360	3,194	4,302	65,855	85,922	85,922	59,355
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	85,922	59,355
Tot.	223	0	-337	208,629	10,982	67,834	151,777	58,360	3,194	4,302	65,855	85,922	85,922	59,355
Disc	124	0	-161	130,020	6,476	21,053	115,443	49,644	2,760	3,683	56,087	59,355	59,355	59,355

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	818	19	837	782	1,000	837	4	40.5	7.2	5.3
Solution Gas	MMcf	2,861	98	2,959	2,751	6,000	493	3	40.5	5.8	4.3
Residue Gas	MMcf	77,317	386	77,702	72,580	6,000	12,950	66	40.5	10.8	5.1
Total: Gas	MMcf	80,178	483	80,661	75,330	6,000	13,444	68	40.5	10.5	5.1
Gas Heat Content	BBtu	86,377	526	86,902	81,150	0.000	0	0	40.5	10.5	5.1
Condensate	Mbbl	372	3	375	300	1,000	375	2	40.5	8.9	5.0
Field Condensate (NGL)	Mbbl	1,122	4	1,127	971	1,000	1,127	6	40.5	11.1	5.0
Butane	Mbbl	960	15	975	824	1,000	975	5	40.5	9.7	5.0
Propane	Mbbl	1,371	7	1,379	1,136	1,000	1,379	7	40.5	9.0	5.0
Ethane	Mbbl	1,509	8	1,517	1,429	1,000	1,517	8	40.5	10.7	5.2
Total: NGL	Mbbl	5,335	37	5,372	4,660	1,000	5,372	27	40.5	10.0	5.1
Total: Oil+NGL	Mbbl	6,175	56	6,231	5,464	1,000	6,231	32	40.5	9.5	5.1
Total: Oil Eq.	Mboe	19,541	136	19,677	18,021	1,000	19,677	100	40.5	10.1	5.1

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	42.29	1.32	42.49	0.06	-1.58	52,424	12	28,851	11
Solution Gas	\$/Mcf	2.35	0.09	1.15	0.02	1.09	8,299	2	5,190	2
Residue Gas	\$/Mcf	2.32	0.03	2.12	0.00	0.17	221,765	49	129,127	50
Total: Gas	\$/Mcf	2.32	0.04	2.05	0.00	0.23	230,064	51	134,317	52
Condensate	\$/bbl	46.06	12.64	0.00	0.00	33.42	21,518	5	11,996	5
Field Condensate (NGL)	\$/bbl	49.19	8.76	6.41	0.00	34.01	71,551	16	40,735	16
Butane	\$/bbl	21.66	4.98	0.00	0.00	16.68	35,282	8	19,558	8
Propane	\$/bbl	20.06	4.82	0.00	0.00	15.25	29,002	6	16,537	6
Ethane	\$/bbl	5.99	-0.09	0.00	0.00	6.08	11,291	2	6,547	3
Total: NGL	\$/bbl	24.19	4.91	1.21	0.00	18.07	168,645	37	95,374	37
Total: Oil+NGL	\$/bbl	27.44	4.26	9.01	0.01	14.17	222,303	49	125,095	48
Total: Oil Eq.	\$/boe	18.53	1.59	10.84	0.01	6.08	452,407	100	259,447	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

Revenue Burdens (%)	Net Present Value Before Income Tax							
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	12.1856	9.6308	0	208,629	151,777	65,855	85,922	4.37
Non-crown Royalty	0.8127	0.6230	5	160,395	134,641	60,600	74,041	3.76
Mineral Tax	0.0518	0.0457	8	140,707	122,731	57,813	64,918	3.30
			10	130,020	115,443	56,087	59,355	3.02
			12	120,816	108,776	54,458	54,319	2.76
			15	109,186	99,902	52,178	47,723	2.43
			20	94,040	87,688	48,767	38,922	1.98

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:53

Company: **Evaluation of Gain Energy Ltd. for i3 Energy**
 Property: **Corporate**
 Description: **CGU 1 - West Central Alta**

Reserve Class: **Probable**
 Development Class: **Total**
 Pricing: **Sproule (2020-06-30)**
 Effective Date: **June 30, 2020**

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Total Oil Production				Solution Gas Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily	Yearly			Daily	Yearly			Daily	Yearly		
2020	0	1	5	1	1	43.06	5	1	1	42.88	25	5	4	2.35
2021	1	2	12	4	4	48.70	12	4	4	48.70	62	23	19	2.50
2022	1	2	16	6	5	59.13	16	6	5	59.11	88	32	28	2.76
2023	4	6	185	68	64	66.71	186	68	64	66.68	336	123	114	2.78
2024	5	9	125	46	43	67.82	126	46	44	67.73	279	102	96	2.84
2025	5	10	95	35	33	68.80	97	35	33	68.67	246	90	84	2.91
2026	8	10	92	34	31	68.87	94	34	32	68.75	263	96	90	2.98
2027	9	10	81	30	27	70.12	81	30	27	70.11	250	91	86	3.03
2028	10	11	76	28	26	71.55	76	28	26	71.54	244	89	84	3.10
2029	9	14	59	22	20	74.42	59	22	20	74.42	201	73	69	3.17
2030	10	18	53	20	18	75.63	53	20	18	75.63	182	66	63	3.23
2031	10	17	52	19	18	77.13	52	19	18	77.13	184	67	64	3.29
2032	14	20	56	20	19	76.66	56	20	19	76.66	205	75	71	3.38
2033	9	22	43	16	15	79.47	43	16	15	79.47	171	62	59	3.42
2034	11	24	44	16	15	81.36	44	16	15	81.36	165	60	57	3.50
2035	9	21	40	15	14	82.66	40	15	14	82.66	144	52	50	3.57
2036	11	30	40	15	14	84.03	40	15	14	84.03	139	51	49	3.63
2037	11	31	38	14	13	85.77	38	14	13	85.77	134	49	47	3.71
2038	12	33	39	14	13	87.50	39	14	13	87.50	136	49	47	3.77
2039	12	30	37	14	13	89.22	37	14	13	89.22	127	46	44	3.84
2040	10	32	34	12	11	91.64	34	12	11	91.64	118	43	41	3.92
2041	10	31	32	12	11	93.50	32	12	11	93.50	113	41	39	3.99
2042	10	27	30	11	10	95.39	30	11	10	95.39	104	38	36	4.07
2043	8	25	25	9	8	96.70	25	9	8	96.70	88	32	30	4.15
2044	6	29	21	8	7	98.47	21	8	7	98.47	71	26	25	4.25
2045	4	30	15	6	5	99.52	15	6	5	99.52	53	19	18	4.38
2046	3	30	14	5	4	101.23	14	5	4	101.23	47	17	16	4.46
2047	2	30	11	4	4	102.04	11	4	4	102.04	40	15	14	4.55
2048	2	30	11	4	3	104.26	11	4	3	104.26	40	15	14	4.64
2049	2	27	10	4	3	106.47	10	4	3	106.47	38	14	13	4.73
2050	1	24	5	2	2	116.26	5	2	2	116.26	12	4	4	4.73
2051	1	20	5	2	1	118.56	5	2	1	118.56	11	4	4	4.82
2052	0	14	4	1	1	120.81	4	1	1	120.81	8	3	3	4.86
2053	0	11	4	1	1	123.22	4	1	1	123.22	8	3	3	4.96
2054	0	10	4	1	1	125.67	4	1	1	125.67	8	3	3	5.05
2055	0	9	4	1	1	128.17	4	1	1	128.17	7	3	2	5.15
2056	0	7	4	1	1	130.71	4	1	1	130.71	7	3	2	5.24
2057	0	6	4	1	1	133.29	4	1	1	133.29	7	2	2	5.34
2058	0	6	3	1	1	136.10	3	1	1	136.10	5	2	2	5.35
2059	0	4	3	1	1	138.77	3	1	1	138.77	5	2	1	5.46
2060	0	2	5	2	1	140.59	5	2	1	140.59	9	3	3	5.60
2061	1	2	6	2	2	143.96	6	2	2	143.96	11	4	3	5.70
2062	1	2	6	2	2	146.84	6	2	2	146.84	10	4	3	5.81
2063	1	2	6	2	2	149.77	6	2	2	149.77	10	4	3	5.93
2064	1	0	6	2	2	152.77	6	2	2	152.77	10	4	3	6.04
2065	0	0	6	2	2	155.83	6	2	2	155.83	9	3	3	6.16
2066	0	0	5	2	1	158.94	5	2	1	158.94	9	3	3	6.29
2067	0	0	5	2	1	162.13	5	2	1	162.13	9	3	3	6.41
2068	0	0	5	2	1	165.37	5	2	1	165.37	9	3	3	6.54
2069	0	0	5	2	1	168.68	5	2	1	168.68	8	3	3	6.67
Sub.				542	497	80.89		544	499	80.82		1,624	1,527	3.44
Rem.				15	12	190.39		15	12	190.39		20	20	7.30
Tot.				557	509	83.85		559	511	83.77		1,644	1,547	3.49

Year	Residue Gas Production				Total Sales Gas Production				Field Condensate (NGL) Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	916	167	156	2.36	942	172	160	2.36	15	3	2	50.72
2021	3,124	1,140	1,072	2.51	3,186	1,163	1,091	2.51	51	18	17	55.33
2022	3,161	1,154	1,074	2.77	3,249	1,186	1,102	2.77	51	18	15	64.80
2023	5,016	1,831	1,718	2.84	5,352	1,954	1,832	2.83	85	31	27	70.78
2024	12,129	4,427	4,161	2.91	12,408	4,529	4,257	2.91	194	71	63	72.87
2025	7,602	2,775	2,550	2.96	7,849	2,865	2,634	2.96	120	44	34	74.22
2026	7,797	2,846	2,623	3.01	8,061	2,942	2,713	3.01	125	46	37	75.73
2027	6,280	2,292	2,110	3.07	6,530	2,383	2,196	3.07	101	37	30	77.26
2028	5,502	2,008	1,836	3.13	5,746	2,097	1,921	3.13	88	32	26	78.90
2029	5,101	1,862	1,691	3.19	5,301	1,935	1,760	3.19	81	29	23	80.47
2030	4,874	1,779	1,625	3.25	5,056	1,845	1,688	3.25	77	28	22	81.96
2031	4,550	1,661	1,526	3.31	4,734	1,728	1,590	3.31	72	26	21	83.53
2032	4,370	1,595	1,471	3.37	4,575	1,670	1,542	3.37	69	25	20	85.13
2033	4,102	1,497	1,382	3.44	4,272	1,559	1,441	3.44	64	23	19	86.93
2034	3,911	1,428	1,319	3.50	4,076	1,488	1,376	3.50	62	22	19	88.66
2035	3,502	1,278	1,182	3.57	3,646	1,331	1,232	3.57	55	20	17	90.59
2036	4,051	1,479	1,377	3.58	4,190	1,530	1,426	3.58	54	20	16	92.45
2037	3,865	1,411	1,318	3.65	3,999	1,459	1,364	3.66	50	18	16	94.35
2038	3,724	1,359	1,273	3.74	3,860	1,409	1,320	3.74	48	17	15	96.26
2039	3,423	1,249	1,174	3.81	3,550	1,296	1,218	3.81	43	16	14	98.29
2040	3,256	1,189	1,117	3.88	3,375	1,232	1,158	3.88	42	15	13	100.20
2041	3,017	1,101	1,036	3.95	3,130	1,142	1,075	3.95	39	14	12	102.18
2042	2,229	814	763	4.13	2,333	851	799	4.12	35	13	11	104.20
2043	1,994	728	683	4.20	2,081	760	713	4.20	32	12	10	106.32
2044	2,029	741	695	4.28	2,100	767	720	4.28	33	12	11	108.47
2045	1,908	696	654	4.36	1,961	716	672	4.36	31	11	10	110.73
2046	1,792	654	614	4.45	1,838	671	630	4.45	29	11	9	112.99
2047	1,710	624	584	4.53	1,750	639	598	4.53	27	10	9	115.25
2048	1,571	573	537	4.62	1,610	588	551	4.62	24	9	8	117.54
2049	1,382	504	473	4.71	1,419	518	486	4.72	21	8	7	119.87
2050	1,152	421	394	4.81	1,164	425	398	4.80	18	6	6	122.28
2051	893	326	305	4.90	905	330	309	4.90	14	5	4	124.77
2052	592	216	203	5.00	600	219	206	5.00	10	4	3	127.33
2053	415	152	142	5.11	423	154	145	5.10	7	2	2	129.98
2054	374	136	128	5.22	381	139	130	5.22	6	2	2	132.66
2055	290	106	99	5.34	298	109	102	5.33	5	2	1	135.51
2056	235	86	80	5.45	242	88	82	5.45	4	1	1	138.17
2057	200	73	68	5.54	207	75	70	5.53	3	1	1	140.97
2058	182	66	62	5.66	186	68	63	5.65	3	1	1	143.85
2059	124	45	42	5.76	129	47	44	5.75	2	1	1	146.36
2060	65	24	22	5.83	74	27	24	5.80	1	0	0	147.73
2061	61	22	20	5.95	71	26	24	5.92	1	0	0	150.67
2062	57	21	19	6.08	67	24	22	6.04	1	0	0	153.71
2063	38	14	13	6.16	48	18	16	6.11	1	0	0	157.04
2064	17	6	6	6.25	27	10	9	6.17	0	0	0	158.48
2065	6	2	2	6.09	15	6	5	6.13	0	0	0	161.71
2066	6	2	2	6.21	15	5	5	6.26	0	0	0	164.95
2067	6	2	2	6.33	14	5	5	6.38	0	0	0	168.25
2068	5	2	2	6.46	14	5	4	6.51	0	0	0	171.61
2069	5	2	2	6.59	13	5	4	6.64	0	0	0	175.04
Sub.		44,585	41,405	3.44		46,209	42,933	3.44		687	578	86.41
Rem.		10	9	7.19		31	29	7.26		1	0	194.23
Tot.		44,595	41,414	3.44		46,240	42,962	3.44		688	578	86.49

Year	Condensate Production				Butane Production				Propane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	6	1	1	44.85	12	2	2	17.67	19	4	3	17.11
2021	15	5	5	52.53	41	15	14	26.65	62	22	20	20.24
2022	15	5	4	61.90	41	15	13	35.46	59	21	18	23.08
2023	29	11	9	66.25	66	24	21	39.11	97	35	31	22.72
2024	79	29	26	66.91	141	52	46	37.81	214	78	69	21.21
2025	49	18	14	68.53	91	33	27	39.20	138	50	39	22.21
2026	44	16	13	70.58	95	35	28	41.72	135	49	39	23.74
2027	37	13	11	71.99	78	28	24	42.47	113	41	33	24.23
2028	33	12	10	73.48	69	25	21	43.22	99	36	29	24.71
2029	29	11	8	75.10	64	23	19	44.22	92	34	26	25.34
2030	27	10	8	76.75	61	22	18	45.22	87	32	25	26.03
2031	26	9	7	78.23	58	21	18	46.25	83	30	24	26.69
2032	25	9	7	79.93	56	21	17	47.35	82	30	24	27.44
2033	24	9	7	81.41	54	20	17	48.64	77	28	23	27.99
2034	22	8	7	83.14	52	19	16	49.74	74	27	22	28.60
2035	20	7	6	84.72	46	17	15	50.75	67	24	20	29.05
2036	21	8	7	86.69	45	16	14	51.54	65	24	20	29.61
2037	20	7	6	88.48	42	15	14	52.65	61	22	19	30.26
2038	19	7	6	90.36	40	15	13	53.80	58	21	18	30.85
2039	18	7	6	92.22	36	13	12	54.79	53	19	16	31.59
2040	17	6	5	94.07	35	13	12	55.93	51	19	16	32.29
2041	15	6	5	95.95	33	12	11	57.08	48	17	15	32.99
2042	13	5	4	97.61	29	11	10	58.28	43	16	13	33.73
2043	11	4	4	99.44	26	10	9	59.42	39	14	12	34.38
2044	11	4	3	101.77	26	10	9	61.28	38	14	12	35.52
2045	10	4	3	103.89	25	9	8	62.47	35	13	11	36.31
2046	9	3	3	106.00	23	8	8	63.85	32	12	10	37.02
2047	10	4	3	107.40	22	8	7	64.76	30	11	9	37.78
2048	9	3	3	109.45	20	7	7	65.93	28	10	9	38.49
2049	8	3	3	111.61	18	7	6	67.32	25	9	8	39.35
2050	6	2	2	113.63	15	5	5	68.14	20	7	6	39.71
2051	5	2	2	115.28	11	4	4	68.49	16	6	5	39.94
2052	3	1	1	118.34	8	3	3	69.40	12	4	4	40.00
2053	2	1	1	119.77	6	2	2	68.83	9	3	3	39.76
2054	2	1	1	122.16	5	2	2	69.92	8	3	2	40.23
2055	2	1	1	124.06	4	1	1	69.50	6	2	2	39.88
2056	2	1	0	126.69	3	1	1	71.17	5	2	2	40.82
2057	1	0	0	128.96	3	1	1	72.02	4	2	1	41.41
2058	1	0	0	131.54	2	1	1	73.16	4	1	1	41.94
2059	1	0	0	134.70	2	1	1	76.18	3	1	1	44.09
2060	0	0	0	138.83	1	0	0	82.29	2	1	1	49.29
2061	0	0	0	141.65	1	0	0	84.03	2	1	1	50.35
2062	0	0	0	144.45	1	0	0	85.55	2	1	0	51.22
2063	0	0	0	146.59	1	0	0	85.59	1	0	0	51.75
2064	0	0	0	151.36	0	0	0	89.53	1	0	0	56.24
2065	0	0	0	150.14	0	0	0	93.89	1	0	0	57.37
2066	0	0	0	153.16	0	0	0	95.77	1	0	0	58.52
2067	0	0	0	156.22	0	0	0	97.70	1	0	0	59.69
2068	0	0	0	159.36	0	0	0	99.65	1	0	0	60.88
2069	0	0	0	162.55	0	0	0	101.65	1	0	0	62.10
Sub.		254	213	80.78		549	473	47.73		799	662	27.62
Rem.		0	0	184.58		1	1	122.94		1	1	81.64
Tot.		254	213	80.81		550	474	47.82		800	663	27.71

Year	Ethane Production				Natural Gas Liquids Production				Oil + Liquids Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	12	2	2	5.86	65	12	10	25.91	69	13	11	27.09
2021	56	20	19	6.79	225	82	74	28.12	236	86	78	29.14
2022	60	22	20	7.27	225	82	70	33.09	241	88	76	34.84
2023	84	31	29	7.35	362	132	118	36.94	547	200	182	47.03
2024	131	48	45	7.26	760	277	249	39.82	886	323	293	43.80
2025	92	34	31	7.46	490	179	146	39.96	587	214	180	44.70
2026	117	43	40	7.60	516	188	157	39.98	610	223	188	44.41
2027	96	35	33	7.77	424	155	131	40.56	505	184	158	45.32
2028	84	31	28	7.93	371	136	114	41.39	447	163	140	46.51
2029	80	29	27	8.09	345	126	103	41.96	404	147	123	46.70
2030	77	28	26	8.25	329	120	100	42.72	383	140	118	47.32
2031	74	27	26	8.43	312	114	95	43.27	365	133	113	48.13
2032	74	27	25	8.60	306	112	94	43.87	361	132	113	48.92
2033	71	26	25	8.77	291	106	91	44.58	334	122	105	49.09
2034	69	25	24	8.94	278	102	87	45.33	322	118	102	50.23
2035	62	23	21	9.12	250	91	79	46.09	291	106	92	51.16
2036	59	21	20	9.30	243	89	77	47.57	283	103	91	52.70
2037	55	20	19	9.48	229	84	73	48.61	267	97	86	53.87
2038	52	19	18	9.67	218	80	70	49.63	257	94	83	55.34
2039	47	17	16	9.91	197	72	64	50.77	234	85	76	56.85
2040	47	17	16	10.11	192	70	62	51.49	226	82	73	57.54
2041	44	16	15	10.31	179	65	58	52.28	211	77	69	58.56
2042	41	15	14	10.52	160	59	52	52.58	191	70	62	59.34
2043	38	14	13	10.70	146	53	48	53.57	171	62	56	59.79
2044	39	14	14	10.85	147	54	48	54.67	169	62	55	60.20
2045	36	13	12	11.07	136	50	45	56.05	151	55	49	60.45
2046	33	12	12	11.22	126	46	41	57.44	140	51	46	61.77
2047	31	11	11	11.44	119	43	39	58.87	130	48	42	62.54
2048	29	10	10	11.68	111	40	36	59.78	122	44	40	63.75
2049	25	9	9	11.91	97	36	32	60.92	108	39	35	65.32
2050	21	8	7	12.15	79	29	26	61.88	85	31	27	65.27
2051	16	6	5	12.40	63	23	20	62.93	68	25	22	67.09
2052	11	4	4	12.66	43	16	14	63.13	47	17	15	68.01
2053	8	3	3	12.92	32	12	10	63.73	36	13	11	70.32
2054	7	2	2	13.16	28	10	9	65.86	32	12	10	73.24
2055	5	2	2	13.39	21	8	7	68.05	25	9	8	77.31
2056	4	1	1	13.66	17	6	5	69.23	21	8	6	80.23
2057	3	1	1	13.93	15	5	5	70.77	19	7	6	82.75
2058	3	1	1	14.19	13	5	4	72.94	16	6	5	85.24
2059	2	1	1	14.54	10	3	3	71.94	13	5	4	87.92
2060	2	1	1	14.98	6	2	2	65.56	11	4	3	97.28
2061	2	1	1	15.28	6	2	2	66.66	13	5	4	105.69
2062	2	1	1	15.58	6	2	2	68.37	12	4	3	108.95
2063	1	0	0	15.88	4	2	1	70.63	10	4	3	116.84
2064	1	0	0	16.25	2	1	1	67.59	8	3	2	127.16
2065	1	0	0	16.65	2	1	1	64.27	8	3	2	132.04
2066	1	0	0	16.98	2	1	1	65.55	7	3	2	134.67
2067	1	0	0	17.32	2	1	1	66.86	7	3	2	137.35
2068	1	0	0	17.67	2	1	1	68.20	7	3	2	140.08
2069	1	0	0	18.02	2	1	1	69.55	7	2	2	142.86
Sub.		693	652	8.92		2,983	2,578	45.05		3,527	3,077	50.56
Rem.		2	2	20.07		4	4	79.23		19	16	165.55
Tot.		695	654	8.95		2,987	2,582	45.10		3,546	3,093	51.19

Oil Equivalent Production

Year	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	226	41	38	18.11
2021	767	280	260	19.41
2022	783	286	260	22.22
2023	1,439	525	487	28.42
2024	2,954	1,078	1,002	25.34
2025	1,895	692	619	26.12
2026	1,954	713	641	26.30
2027	1,594	582	524	26.95
2028	1,405	513	460	27.61
2029	1,288	470	417	27.79
2030	1,225	447	399	28.18
2031	1,154	421	378	28.79
2032	1,124	410	370	29.46
2033	1,046	382	345	29.71
2034	1,001	366	332	30.42
2035	898	328	298	31.05
2036	981	358	328	30.49
2037	933	341	313	31.07
2038	900	329	303	31.81
2039	826	301	279	32.50
2040	788	288	266	33.09
2041	733	267	248	33.75
2042	579	211	195	36.13
2043	517	189	175	36.60
2044	519	189	175	36.89
2045	478	175	162	37.02
2046	446	163	151	37.69
2047	422	154	142	38.11
2048	390	142	131	38.96
2049	344	126	116	39.89
2050	279	102	94	39.91
2051	218	80	73	41.06
2052	147	54	49	42.23
2053	106	39	35	43.95
2054	95	35	32	45.22
2055	75	27	25	47.19
2056	61	22	20	48.83
2057	53	19	17	50.51
2058	47	17	16	51.64
2059	34	12	11	54.15
2060	23	9	7	64.51
2061	24	9	8	71.62
2062	23	8	7	73.78
2063	18	7	6	81.50
2064	13	5	4	95.58
2065	10	4	3	108.13
2066	10	4	3	110.27
2067	9	3	3	112.46
2068	9	3	3	114.68
2069	9	3	3	116.95
Sub.		11,228	10,233	30.04
Rem.		25	21	140.21
Tot.		11,253	10,253	30.28

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Royalty	Pre-Processing		Allowance		Royalty	Revenue			
	Oil	Gas	NGL+Sul	Total	Total	Total	Expense	Crown	Other	Crown	Other	Process.	Royalty	Fixed	Variable	Total
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	36	402	304	742	6	748	0	64	9	19	3	51	697	24	231	255
2021	201	2,908	2,295	5,404	31	5,435	1	415	20	94	6	336	5,098	142	1,469	1,612
2022	337	3,264	2,701	6,302	48	6,349	2	709	25	137	6	590	5,757	159	1,446	1,605
2023	4,498	5,515	4,856	14,869	60	14,929	3	1,174	28	198	7	997	13,928	396	3,148	3,544
2024	3,102	13,129	11,014	27,245	77	27,322	5	2,225	39	465	8	1,791	25,526	698	6,413	7,111
2025	2,410	8,462	7,131	18,002	66	18,068	3	2,353	45	444	9	1,944	16,121	822	4,171	4,993
2026	2,334	8,839	7,504	18,678	77	18,755	6	2,364	29	443	7	1,943	16,806	1,131	4,112	5,242
2027	2,058	7,294	6,250	15,602	77	15,679	6	1,862	32	357	8	1,530	14,143	1,270	3,470	4,740
2028	1,960	6,540	5,581	14,081	81	14,162	9	1,730	44	331	10	1,433	12,720	1,360	3,122	4,483
2029	1,580	6,142	5,253	12,976	83	13,059	9	1,783	45	355	10	1,463	11,587	1,354	2,906	4,260
2030	1,451	5,967	5,109	12,527	75	12,603	6	1,663	36	328	7	1,364	11,232	1,626	2,807	4,433
2031	1,445	5,681	4,897	12,024	100	12,124	11	1,536	24	299	4	1,256	10,856	1,740	2,694	4,434
2032	1,530	5,599	4,865	11,993	89	12,083	8	1,441	26	279	5	1,183	10,892	2,206	2,659	4,865
2033	1,229	5,320	4,684	11,233	108	11,341	8	1,316	30	251	6	1,088	10,245	2,083	2,561	4,644
2034	1,283	5,178	4,566	11,027	92	11,119	4	1,227	46	230	10	1,032	10,083	2,379	2,506	4,886
2035	1,204	4,723	4,178	10,105	78	10,183	4	1,105	42	210	9	927	9,252	2,090	2,325	4,415
2036	1,208	5,462	4,208	10,879	41	10,920	4	1,095	33	217	7	904	10,012	2,815	2,708	5,523
2037	1,169	5,321	4,052	10,543	40	10,583	4	1,010	32	199	7	836	9,743	3,037	2,612	5,648
2038	1,225	5,252	3,938	10,415	37	10,452	4	946	32	187	7	784	9,663	3,330	2,588	5,918
2039	1,196	4,924	3,643	9,763	32	9,795	4	865	19	167	4	714	9,077	3,294	2,402	5,697
2040	1,128	4,766	3,591	9,485	33	9,518	5	837	28	158	6	701	8,812	3,210	2,328	5,538
2041	1,086	4,504	3,400	8,990	34	9,024	4	780	29	147	6	655	8,364	3,228	2,215	5,443
2042	1,039	3,502	3,071	7,612	29	7,641	4	674	28	115	6	581	7,055	2,761	1,682	4,443
2043	858	3,180	2,846	6,885	28	6,913	4	614	26	104	5	531	6,378	2,511	1,521	4,033
2044	751	3,268	2,934	6,953	32	6,984	4	610	28	98	6	534	6,446	2,893	1,490	4,383
2045	543	3,113	2,776	6,432	30	6,462	3	566	28	89	6	499	5,960	2,851	1,358	4,208
2046	494	2,982	2,639	6,115	23	6,138	1	538	26	84	6	475	5,661	2,894	1,280	4,174
2047	392	2,891	2,556	5,839	27	5,866	1	519	38	80	8	469	5,395	2,941	1,209	4,150
2048	393	2,713	2,415	5,520	26	5,546	1	492	37	75	8	446	5,099	2,966	1,148	4,114
2049	386	2,439	2,164	4,989	25	5,014	1	452	26	69	5	403	4,609	2,827	1,036	3,863
2050	206	2,037	1,792	4,035	26	4,060	1	383	25	60	5	343	3,716	2,302	853	3,155
2051	207	1,614	1,433	3,254	18	3,272	1	316	25	51	5	285	2,986	1,881	700	2,582
2052	165	1,092	998	2,255	18	2,273	2	224	16	37	4	198	2,073	1,254	517	1,771
2053	167	784	736	1,686	17	1,703	2	172	19	30	4	156	1,545	899	404	1,303
2054	168	722	664	1,554	17	1,571	2	161	16	27	4	146	1,423	839	369	1,208
2055	170	576	524	1,269	16	1,285	2	138	15	24	3	126	1,158	661	306	967
2056	172	478	428	1,078	9	1,087	1	122	14	20	3	113	973	556	256	812
2057	173	416	385	974	3	976	1	113	14	17	3	107	869	516	224	740
2058	159	383	350	892	3	894	1	105	14	15	3	101	792	480	204	685
2059	152	269	249	670	3	673	1	85	14	11	3	85	587	352	149	501
2060	241	154	153	547	3	550	1	85	19	6	3	95	454	238	104	343
2061	334	152	151	637	3	640	1	102	19	6	3	111	527	250	113	363
2062	330	146	143	618	3	621	1	99	19	6	3	109	511	240	109	349
2063	326	106	109	540	3	543	0	95	12	5	2	101	442	180	85	266
2064	323	59	61	442	3	444	0	87	7	3	0	91	353	109	60	169
2065	318	34	46	397	0	397	0	82	7	3	0	86	311	80	55	135
2066	314	34	45	393	0	393	0	81	7	3	0	85	308	82	54	136
2067	310	33	45	388	0	388	0	80	7	3	0	84	304	83	54	137
2068	307	33	45	385	0	385	0	80	6	3	0	84	301	85	53	138
2069	303	32	44	379	0	379	0	79	6	3	0	82	297	87	53	139
Sub.	43,367	158,434	133,822	335,623	1,727	337,349	151	35,653	1,212	6,561	253	30,050	307,148	72,214	76,343	148,557
Rem.	2,871	222	344	3,437	0	3,437	0	676	6	13	0	669	2,767	639	460	1,099
Tot.	46,237	158,656	134,166	339,059	1,727	340,786	151	36,329	1,218	6,574	254	30,720	309,916	72,853	76,803	149,656
Disc	15,813	56,518	47,626	119,957	599	120,556	46	12,838	318	2,473	72	10,612	109,898	13,497	27,513	41,010

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	442	4	0	446	0	22	22	44	402	402	392
2021	1	0	-1	3,487	74	0	3,561	1,018	108	72	1,199	2,362	2,763	2,539
2022	3	0	-2	4,151	53	0	4,204	0	0	0	0	4,204	6,967	6,014
2023	3	0	-3	10,384	49	0	10,432	19,973	1,090	1,614	22,677	-12,245	-5,277	-3,186
2024	6	0	-3	18,412	57	0	18,470	5,740	366	689	6,794	11,675	6,398	4,788
2025	6	0	-3	11,124	52	-55	11,232	344	40	22	406	10,826	17,224	11,511
2026	4	0	-3	11,562	33	-127	11,722	4,332	309	413	5,054	6,668	23,892	15,274
2027	4	0	-3	9,402	35	-198	9,635	0	0	0	0	9,635	33,527	20,219
2028	4	0	-4	8,236	36	-4	8,277	0	0	0	0	8,277	41,804	24,080
2029	4	0	-4	7,326	46	-168	7,540	0	0	0	0	7,540	49,344	27,278
2030	4	0	-4	6,799	59	-331	7,190	0	0	0	0	7,190	56,534	30,050
2031	4	0	-5	6,424	59	-190	6,673	0	0	0	0	6,673	63,207	32,389
2032	4	0	-5	6,028	57	-232	6,317	0	0	0	0	6,317	69,524	34,401
2033	5	0	-5	5,600	43	-258	5,901	0	0	0	0	5,901	75,424	36,111
2034	5	0	-5	5,196	42	-484	5,722	0	0	0	0	5,722	81,146	37,617
2035	5	0	-5	4,837	30	89	4,778	0	0	0	0	4,778	85,924	38,761
2036	5	0	-5	4,489	32	-992	5,513	0	0	0	0	5,513	91,437	39,961
2037	4	0	-6	4,097	31	434	3,693	0	0	0	0	3,693	95,131	40,692
2038	4	0	-6	3,747	30	-649	4,426	0	0	0	0	4,426	99,556	41,488
2039	4	0	-6	3,383	24	536	2,872	0	0	0	0	2,872	102,428	41,957
2040	4	0	-6	3,276	24	-1,740	5,041	0	0	0	0	5,041	107,469	42,706
2041	4	0	-5	2,922	23	-316	3,261	0	0	0	0	3,261	110,730	43,147
2042	3	0	-5	2,614	18	-647	3,279	0	0	0	0	3,279	114,009	43,550
2043	3	0	-5	2,347	11	132	2,225	0	0	0	0	2,225	116,234	43,798
2044	3	0	-5	2,065	7	-744	2,816	0	0	0	0	2,816	119,050	44,084
2045	3	0	-2	1,751	7	764	995	0	0	0	0	995	120,045	44,176
2046	3	0	-2	1,486	7	947	546	0	0	0	0	546	120,591	44,222
2047	3	0	-3	1,246	73	599	720	0	0	0	0	720	121,311	44,277
2048	3	0	-3	985	68	-396	1,449	0	0	0	0	1,449	122,759	44,377
2049	3	0	-3	746	64	322	487	0	0	0	0	487	123,246	44,408
2050	1	0	-3	562	63	399	226	0	0	0	0	226	123,473	44,421
2051	1	0	-3	406	58	-912	1,376	0	0	0	0	1,376	124,848	44,493
2052	1	0	-5	307	54	-37	397	0	0	0	0	397	125,245	44,511
2053	1	0	-5	246	50	567	-271	0	0	0	0	-271	124,975	44,500
2054	1	0	-5	219	47	-525	791	0	0	0	0	791	125,765	44,531
2055	1	0	-5	195	6	1,003	-802	0	0	0	0	-802	124,964	44,502
2056	1	0	-4	164	6	1,393	-1,224	0	0	0	0	-1,224	123,740	44,463
2057	1	0	-3	131	5	738	-602	0	0	0	0	-602	123,138	44,445
2058	1	0	-3	111	5	-300	415	0	0	0	0	415	123,553	44,456
2059	1	0	-3	89	4	2,009	-1,916	0	0	0	0	-1,916	121,637	44,409
2060	1	0	-3	114	4	603	-485	0	0	0	0	-485	121,151	44,399
2061	1	0	-3	167	4	66	105	0	0	0	0	105	121,256	44,401
2062	1	0	-1	162	4	163	4	0	0	0	0	4	121,260	44,401
2063	1	0	0	175	4	567	-388	0	0	0	0	-388	120,872	44,394
2064	1	0	0	183	4	578	-391	0	0	0	0	-391	120,481	44,389
2065	1	0	0	176	0	-1,330	1,506	0	0	0	0	1,506	121,987	44,409
2066	1	0	0	171	0	39	132	0	0	0	0	132	122,120	44,411
2067	1	0	0	166	0	85	81	0	0	0	0	81	122,201	44,412
2068	1	0	0	162	0	379	-217	0	0	0	0	-217	121,984	44,410
2069	1	0	0	157	0	2,403	-2,246	0	0	0	0	-2,246	119,738	44,388
Sub.	127	0	-162	158,627	1,467	4,180	155,913	31,408	1,935	2,832	36,174	119,738	119,738	44,388
Rem.	1	0	0	1,668	0	2,770	-1,102	0	0	0	0	-1,102	118,637	44,389
Tot.	127	0	-162	160,295	1,467	6,950	154,811	31,408	1,935	2,832	36,174	118,637	118,637	44,389
Disc	37	0	-34	68,886	452	-967	70,305	22,511	1,388	2,017	25,916	44,389	44,389	44,389

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	550	7	557	509	1.000	557	5	60.5	325.8	10.4
Solution Gas	MMcf	1,608	36	1,644	1,547	6.000	274	2	60.5	177.5	11.5
Residue Gas	MMcf	44,458	137	44,595	41,414	6.000	7,433	66	60.5	133.4	11.0
Total: Gas	MMcf	46,066	173	46,239	42,961	6.000	7,707	68	60.5	134.6	11.0
Gas Heat Content	BBtu	50,083	188	50,271	46,701	0.000	0	0	60.5	134.5	11.0
Condensate	Mbbl	253	1	254	213	1.000	254	2	60.5	108.8	10.6
Field Condensate (NGL)	Mbbl	686	1	688	578	1.000	688	6	60.5	122.8	10.5
Butane	Mbbl	545	5	550	474	1.000	550	5	60.5	125.6	11.0
Propane	Mbbl	798	3	800	663	1.000	800	7	60.5	114.1	10.9
Ethane	Mbbl	692	3	695	654	1.000	695	6	60.5	163.1	11.9
Total: NGL	Mbbl	2,975	13	2,987	2,582	1.000	2,987	27	60.5	126.6	11.0
Total: Oil+NGL	Mbbl	3,527	19	3,546	3,093	1.000	3,546	32	60.5	139.9	10.9
Total: Oil Eq.	Mboe	11,205	48	11,253	10,253	1.000	11,253	100	60.5	136.2	11.0

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	43.06	2.54	11.49	0.10	28.93	42,023	14	14,832	13
Solution Gas	\$/Mcf	2.35	0.16	1.07	0.02	1.10	5,533	2	1,885	2
Residue Gas	\$/Mcf	2.36	0.07	1.31	0.00	0.97	147,150	47	52,516	48
Total: Gas	\$/Mcf	2.36	0.07	1.31	0.00	0.98	152,683	49	54,401	49
Condensate	\$/bbl	44.85	4.37	0.00	0.00	40.47	17,701	6	6,318	6
Field Condensate (NGL)	\$/bbl	50.72	5.43	7.43	0.00	37.87	50,373	16	18,090	16
Butane	\$/bbl	17.67	2.93	0.00	0.00	14.74	22,968	7	7,850	7
Propane	\$/bbl	17.11	2.90	0.00	0.00	14.21	18,069	6	6,311	6
Ethane	\$/bbl	5.86	0.07	0.00	0.00	5.79	6,018	2	2,032	2
Total: NGL	\$/bbl	25.91	3.14	1.76	0.00	21.01	115,130	37	40,600	37
Total: Oil+NGL	\$/bbl	27.09	3.10	2.44	0.01	21.54	157,263	51	55,501	51
Total: Oil Eq.	\$/boe	18.11	1.25	5.68	0.01	11.18	309,948	100	109,904	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Net Present Value Before Income Tax								
	Revenue Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average	M\$					M\$	M\$
Crown Royalty	8.6513	10.7146	0	160,295	154,811	36,174	118,637	10.54	
Non-crown Royalty	1.2207	0.3593	5	98,986	100,537	30,454	70,083	6.23	
Mineral Tax	0.0295	0.0375	8	78,816	80,412	27,610	52,802	4.69	
			10	68,886	70,305	25,916	44,389	3.94	
			12	60,876	62,100	24,363	37,736	3.35	
			15	51,445	52,410	22,267	30,143	2.68	
			20	40,271	40,933	19,297	21,636	1.92	

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:57

Company: **Evaluation of Gain Energy Ltd. for i3 Energy**
 Property: **Corporate**
 Description: **CGU 1 - West Central Alta**

Reserve Class: **Proved Plus Probable**
 Development Class: **Producing**
 Pricing: **Sproule (2020-06-30)**
 Effective Date: **June 30, 2020**

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Total Oil Production				Solution Gas Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily	Yearly			Daily	Yearly			Daily	Yearly		
2020	63	120	322	59	57	42.30	332	61	59	42.14	1,422	259	237	2.35
2021	40	84	275	100	97	48.52	275	100	97	48.51	1,243	454	416	2.51
2022	40	84	244	89	84	58.80	244	89	84	58.80	1,082	395	363	2.77
2023	39	84	221	81	76	63.82	221	81	76	63.82	944	345	318	2.83
2024	37	80	200	73	69	64.99	200	73	69	64.99	815	298	276	2.88
2025	36	78	181	66	63	66.23	181	66	63	66.22	709	259	240	2.94
2026	34	76	165	60	57	67.57	165	60	57	67.56	628	229	213	3.00
2027	34	76	151	55	51	68.94	151	55	51	68.94	562	205	194	3.06
2028	33	74	139	51	47	70.34	139	51	47	70.33	510	186	177	3.12
2029	28	73	115	42	39	72.25	115	42	39	72.25	426	155	147	3.19
2030	26	69	104	38	35	73.61	104	38	35	73.61	379	138	131	3.25
2031	25	66	95	35	32	75.03	95	35	32	75.03	343	125	119	3.31
2032	24	63	85	31	28	76.44	85	31	28	76.44	299	109	103	3.38
2033	16	61	66	24	22	79.18	66	24	22	79.18	214	78	74	3.42
2034	16	58	62	22	20	80.78	62	22	20	80.78	197	72	68	3.49
2035	13	52	55	20	18	82.39	55	20	18	82.39	170	62	59	3.56
2036	13	49	51	19	17	84.07	51	19	17	84.07	157	57	54	3.63
2037	13	47	48	18	16	85.80	48	18	16	85.80	147	53	51	3.70
2038	12	44	46	17	15	87.56	46	17	15	87.56	137	50	47	3.77
2039	10	39	40	14	13	88.96	40	14	13	88.96	120	44	41	3.84
2040	8	36	35	13	11	91.19	35	13	11	91.19	111	41	38	3.92
2041	8	34	34	12	11	93.06	34	12	11	93.06	105	38	36	3.99
2042	8	26	32	12	10	94.95	32	12	10	94.95	95	35	33	4.07
2043	6	23	28	10	9	97.35	28	10	9	97.35	85	31	29	4.15
2044	5	20	25	9	8	99.24	25	9	8	99.24	70	25	24	4.25
2045	4	18	23	8	7	101.13	23	8	7	101.13	65	24	22	4.33
2046	4	17	20	7	6	102.95	20	7	6	102.95	58	21	20	4.41
2047	3	14	17	6	5	104.39	17	6	5	104.39	50	18	17	4.49
2048	3	12	17	6	5	106.54	17	6	5	106.54	48	17	16	4.58
2049	3	10	16	6	5	108.72	16	6	5	108.72	45	17	16	4.67
2050	1	9	10	4	3	115.80	10	4	3	115.80	19	7	6	4.63
2051	1	9	10	4	3	118.10	10	4	3	118.10	18	7	6	4.72
2052	1	7	10	3	3	120.46	10	3	3	120.46	17	6	6	4.81
2053	1	6	9	3	3	122.87	9	3	3	122.87	17	6	6	4.91
2054	1	5	9	3	3	125.33	9	3	3	125.33	16	6	5	5.01
2055	1	4	9	3	3	127.83	9	3	3	127.83	16	6	5	5.11
2056	1	3	8	3	2	130.38	8	3	2	130.38	15	5	5	5.20
2057	1	3	8	3	2	132.97	8	3	2	132.97	14	5	5	5.30
2058	1	2	7	3	2	135.68	7	3	2	135.68	12	4	4	5.37
2059	1	2	7	2	2	138.36	7	2	2	138.36	11	4	4	5.47
2060	1	2	7	2	2	141.13	7	2	2	141.13	11	4	4	5.58
2061	1	2	6	2	2	143.96	6	2	2	143.96	11	4	3	5.70
2062	1	1	6	2	2	146.84	6	2	2	146.84	10	4	3	5.81
2063	1	1	6	2	2	149.77	6	2	2	149.77	10	4	3	5.93
2064	1	0	6	2	2	152.77	6	2	2	152.77	10	4	3	6.04
2065	0	0	6	2	2	155.83	6	2	2	155.83	9	3	3	6.16
2066	0	0	5	2	1	158.94	5	2	1	158.94	9	3	3	6.29
2067	0	0	5	2	1	162.13	5	2	1	162.13	9	3	3	6.41
2068	0	0	5	2	1	165.37	5	2	1	165.37	9	3	3	6.54
2069	0	0	5	2	1	168.68	5	2	1	168.68	8	3	3	6.67
Sub.				1,056	975	72.29		1,058	977	72.22		3,933	3,662	3.10
Rem.				15	12	190.39		15	12	190.39		20	20	7.30
Tot.				1,071	987	73.95		1,073	989	73.88		3,954	3,682	3.12

Year	Residue Gas Production				Total Sales Gas Production				Field Condensate (NGL) Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	17,235	3,145	2,892	2.32	18,704	3,414	3,137	2.32	235	43	34	48.86
2021	14,069	5,135	4,713	2.47	15,313	5,589	5,128	2.47	193	70	54	55.44
2022	12,574	4,590	4,212	2.71	13,657	4,985	4,575	2.72	171	63	46	64.52
2023	11,299	4,124	3,789	2.77	12,243	4,469	4,108	2.78	154	56	41	69.80
2024	10,183	3,717	3,418	2.82	10,998	4,014	3,694	2.82	138	50	37	71.26
2025	9,196	3,357	3,088	2.87	9,905	3,615	3,328	2.88	123	45	34	72.78
2026	8,338	3,043	2,806	2.93	8,966	3,273	3,019	2.94	111	40	31	74.34
2027	7,685	2,805	2,627	2.99	8,247	3,010	2,821	2.99	102	37	33	75.90
2028	7,055	2,575	2,412	3.05	7,566	2,761	2,589	3.05	92	34	30	77.53
2029	6,482	2,366	2,217	3.10	6,907	2,521	2,365	3.11	84	30	28	79.22
2030	5,934	2,166	2,031	3.16	6,313	2,304	2,162	3.16	76	28	25	80.87
2031	5,427	1,981	1,860	3.22	5,770	2,106	1,979	3.23	69	25	23	82.47
2032	4,934	1,801	1,693	3.28	5,233	1,910	1,796	3.29	61	22	20	84.23
2033	4,492	1,640	1,542	3.34	4,706	1,718	1,615	3.35	55	20	18	86.11
2034	4,114	1,502	1,412	3.41	4,311	1,574	1,480	3.41	50	18	17	87.85
2035	3,586	1,309	1,230	3.47	3,756	1,371	1,289	3.48	42	15	14	89.85
2036	3,237	1,182	1,111	3.54	3,394	1,239	1,165	3.54	37	14	12	91.70
2037	2,975	1,086	1,021	3.61	3,121	1,139	1,071	3.61	33	12	11	93.60
2038	2,688	981	922	3.68	2,826	1,031	969	3.68	29	11	10	95.56
2039	2,379	868	817	3.74	2,499	912	858	3.75	25	9	8	97.56
2040	2,141	782	735	3.80	2,253	822	773	3.81	23	8	8	99.50
2041	1,965	717	674	3.87	2,069	755	710	3.88	20	7	7	101.46
2042	1,155	422	394	4.08	1,250	456	427	4.08	16	6	5	103.32
2043	966	353	329	4.14	1,052	384	358	4.14	14	5	5	105.41
2044	824	301	280	4.20	894	326	304	4.21	13	5	4	107.48
2045	721	263	245	4.28	786	287	267	4.29	11	4	4	109.78
2046	605	221	204	4.37	663	242	224	4.37	9	3	3	112.04
2047	535	195	180	4.46	585	214	198	4.46	8	3	3	114.27
2048	443	162	149	4.54	490	179	165	4.54	6	2	2	116.35
2049	329	120	111	4.61	374	136	126	4.62	4	2	1	118.24
2050	304	111	102	4.71	323	118	109	4.70	4	1	1	120.63
2051	286	105	96	4.81	304	111	102	4.80	4	1	1	123.05
2052	202	74	69	4.91	219	80	75	4.90	3	1	1	125.54
2053	185	67	63	5.02	202	74	68	5.01	3	1	1	128.08
2054	163	60	56	5.14	179	65	61	5.13	3	1	1	130.70
2055	97	35	33	5.25	113	41	38	5.23	1	1	0	132.69
2056	86	31	29	5.38	101	37	34	5.35	1	0	0	135.35
2057	63	23	21	5.40	77	28	26	5.38	1	0	0	138.06
2058	56	20	19	5.53	68	25	22	5.50	1	0	0	140.76
2059	52	19	17	5.65	63	23	21	5.62	1	0	0	143.57
2060	49	18	16	5.78	60	22	20	5.74	1	0	0	146.44
2061	44	16	14	5.91	54	20	18	5.87	1	0	0	149.37
2062	40	15	13	6.05	51	19	17	6.00	1	0	0	152.35
2063	23	8	8	6.06	33	12	11	6.02	0	0	0	155.40
2064	17	6	6	6.25	27	10	9	6.17	0	0	0	158.48
2065	6	2	2	6.09	15	6	5	6.13	0	0	0	161.71
2066	6	2	2	6.21	15	5	5	6.26	0	0	0	164.95
2067	6	2	2	6.33	14	5	5	6.38	0	0	0	168.25
2068	5	2	2	6.46	14	5	4	6.51	0	0	0	171.61
2069	5	2	2	6.59	13	5	4	6.64	0	0	0	175.04
Sub.		53,525	49,683	3.05		57,468	53,354	3.05		698	577	75.81
Rem.		10	9	7.19		31	29	7.26		1	0	194.23
Tot.		53,535	49,693	3.05		57,499	53,383	3.06		698	578	75.91

Year	Condensate Production				Butane Production				Propane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	98	18	12	46.35	248	45	33	22.26	372	68	50	20.62
2021	80	29	19	52.51	200	73	54	28.22	300	110	80	20.52
2022	72	26	17	61.52	179	65	47	36.18	268	98	71	23.19
2023	64	23	15	66.76	160	58	42	41.33	240	88	63	24.37
2024	57	21	13	68.16	144	52	38	42.15	216	79	57	24.86
2025	51	19	12	69.58	129	47	34	42.95	193	71	51	25.36
2026	46	17	11	71.05	116	42	31	43.85	175	64	46	25.88
2027	42	15	14	72.53	107	39	36	44.70	160	59	52	26.41
2028	39	14	13	74.05	97	35	32	45.53	145	53	47	26.92
2029	35	13	11	75.62	88	32	29	46.42	131	48	43	27.44
2030	32	12	11	77.19	80	29	27	47.29	119	44	39	27.98
2031	29	11	10	78.76	73	27	25	48.26	109	40	35	28.58
2032	27	10	9	80.28	66	24	22	49.18	98	36	32	29.10
2033	24	9	8	81.78	58	21	20	50.27	87	32	28	29.58
2034	21	8	7	83.55	53	19	18	51.33	79	29	26	30.19
2035	19	7	6	85.11	45	16	15	52.27	68	25	22	30.69
2036	17	6	6	86.76	40	14	13	53.00	61	22	20	31.27
2037	16	6	5	88.45	36	13	12	53.99	55	20	18	31.87
2038	15	5	5	90.27	32	12	11	54.94	49	18	16	32.47
2039	13	5	4	92.04	28	10	9	55.94	42	15	14	33.18
2040	12	4	4	93.80	25	9	8	56.91	38	14	12	33.84
2041	11	4	3	95.62	23	8	8	57.96	35	13	11	34.49
2042	8	3	3	96.95	19	7	6	59.10	29	11	9	35.40
2043	7	3	2	98.61	16	6	6	60.21	26	9	8	36.15
2044	6	2	2	100.47	14	5	5	61.51	23	8	7	37.15
2045	5	2	2	102.35	13	5	4	62.42	20	7	6	37.90
2046	5	2	2	104.07	11	4	4	63.38	17	6	5	38.45
2047	4	2	1	106.08	10	4	3	64.69	15	5	5	39.29
2048	4	1	1	107.98	8	3	3	65.90	13	5	4	40.22
2049	3	1	1	109.85	7	2	2	67.19	11	4	3	41.36
2050	2	1	1	111.71	5	2	2	68.55	9	3	3	41.98
2051	2	1	1	113.90	5	2	2	69.84	8	3	2	42.78
2052	1	0	0	121.21	4	1	1	74.20	6	2	2	44.44
2053	1	0	0	123.58	3	1	1	75.65	5	2	2	45.29
2054	1	0	0	125.94	3	1	1	77.11	5	2	1	46.12
2055	1	0	0	127.43	2	1	1	77.75	3	1	1	46.69
2056	0	0	0	129.85	2	1	1	79.16	3	1	1	47.48
2057	0	0	0	132.46	1	1	0	80.35	2	1	1	48.78
2058	0	0	0	135.18	1	0	0	81.98	2	1	1	49.86
2059	0	0	0	137.82	1	0	0	83.51	2	1	1	50.81
2060	0	0	0	140.54	1	0	0	85.12	2	1	0	51.79
2061	0	0	0	143.25	1	0	0	86.63	1	1	0	52.74
2062	0	0	0	146.06	1	0	0	88.24	1	0	0	53.73
2063	0	0	0	148.73	1	0	0	88.74	1	0	0	55.32
2064	0	0	0	151.36	0	0	0	89.53	1	0	0	56.24
2065	0	0	0	150.14	0	0	0	93.89	1	0	0	57.37
2066	0	0	0	153.16	0	0	0	95.77	1	0	0	58.52
2067	0	0	0	156.22	0	0	0	97.70	1	0	0	59.69
2068	0	0	0	159.36	0	0	0	99.65	1	0	0	60.88
2069	0	0	0	162.55	0	0	0	101.65	1	0	0	62.10
Sub.		301	230	72.75		742	608	43.65		1,117	896	26.88
Rem.		0	0	184.58		1	1	122.94		1	1	81.64
Tot.		301	230	72.78		742	609	43.73		1,118	897	26.95

Year	Ethane Production				Natural Gas Liquids Production				Oil + Liquids Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	364	66	62	6.00	1,318	241	191	23.84	1,651	301	250	27.53
2021	312	114	106	6.41	1,085	396	313	26.46	1,360	496	409	30.91
2022	278	101	95	7.07	967	353	276	31.11	1,212	442	360	36.70
2023	250	91	85	7.22	867	316	247	33.72	1,088	397	323	39.83
2024	225	82	77	7.37	779	284	222	34.37	978	357	291	40.62
2025	200	73	69	7.52	697	254	199	35.09	878	320	262	41.52
2026	183	67	63	7.66	630	230	181	35.75	795	290	238	42.34
2027	168	61	58	7.82	579	211	192	36.47	730	266	243	43.18
2028	151	55	52	7.97	525	192	175	37.28	664	243	222	44.21
2029	138	50	47	8.13	475	174	158	38.02	590	215	197	44.67
2030	125	46	43	8.29	432	158	144	38.80	536	196	179	45.53
2031	114	42	39	8.46	393	144	132	39.53	488	178	163	46.41
2032	103	37	35	8.63	354	129	119	40.30	439	160	147	47.31
2033	93	34	32	8.80	316	115	106	41.05	383	140	128	47.64
2034	84	31	29	8.98	287	105	96	41.87	349	127	117	48.75
2035	72	26	25	9.16	246	90	82	42.66	301	110	101	49.89
2036	63	23	22	9.34	218	80	73	43.55	269	98	90	51.29
2037	57	21	20	9.53	197	72	66	44.55	246	90	82	52.68
2038	50	18	17	9.72	175	64	58	45.54	220	80	74	54.28
2039	43	16	15	9.92	150	55	50	46.56	190	69	63	55.41
2040	39	14	13	10.13	136	50	45	47.40	171	62	57	56.48
2041	35	13	12	10.34	124	45	41	48.26	158	58	52	57.82
2042	31	11	11	10.55	104	38	35	47.67	136	50	45	58.71
2043	28	10	10	10.77	91	33	30	48.45	119	44	39	59.97
2044	25	9	9	11.00	80	29	27	49.09	105	38	35	60.96
2045	22	8	7	11.23	71	26	23	50.24	93	34	30	62.56
2046	18	7	6	11.35	60	22	20	51.24	80	29	26	64.45
2047	16	6	5	11.58	52	19	17	52.49	69	25	22	65.40
2048	14	5	5	11.82	45	16	15	52.79	62	22	20	67.21
2049	11	4	4	12.08	36	13	12	52.86	52	19	17	69.91
2050	10	4	3	12.33	30	11	10	52.78	40	15	13	68.94
2051	9	3	3	12.57	28	10	9	54.03	38	14	12	70.72
2052	8	3	3	12.82	22	8	7	52.89	31	11	10	73.44
2053	7	3	2	13.08	20	7	6	54.24	29	11	9	76.10
2054	6	2	2	13.33	17	6	5	55.96	26	9	8	79.98
2055	4	1	1	13.63	11	4	4	54.87	20	7	6	86.54
2056	3	1	1	13.89	10	3	3	56.43	18	6	5	90.55
2057	3	1	1	14.18	8	3	3	56.75	16	6	5	93.97
2058	3	1	1	14.46	7	3	2	58.10	14	5	4	97.54
2059	2	1	1	14.75	6	2	2	59.50	13	5	4	100.28
2060	2	1	1	15.04	6	2	2	60.85	13	5	4	103.01
2061	2	1	1	15.33	5	2	2	62.50	12	4	3	107.18
2062	2	1	1	15.64	5	2	1	64.04	11	4	3	110.58
2063	1	0	0	15.95	3	1	1	64.86	9	3	3	119.25
2064	1	0	0	16.25	2	1	1	67.59	8	3	2	127.16
2065	1	0	0	16.65	2	1	1	64.27	8	3	2	132.04
2066	1	0	0	16.98	2	1	1	65.55	7	3	2	134.67
2067	1	0	0	17.32	2	1	1	66.86	7	3	2	137.35
2068	1	0	0	17.67	2	1	1	68.20	7	3	2	140.08
2069	1	0	0	18.02	2	1	1	69.55	7	2	2	142.86
Sub.		1,166	1,094	8.05		4,023	3,406	36.44		5,081	4,384	43.89
Rem.		2	2	20.07		4	4	79.23		19	16	165.55
Tot.		1,167	1,096	8.07		4,027	3,410	36.48		5,100	4,399	44.35

Oil Equivalent Production

Year	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	4,768	870	773	18.63
2021	3,912	1,428	1,264	20.42
2022	3,488	1,273	1,123	23.39
2023	3,128	1,142	1,008	24.71
2024	2,811	1,026	907	25.17
2025	2,529	923	816	25.69
2026	2,290	836	741	26.20
2027	2,104	768	713	26.70
2028	1,925	703	653	27.25
2029	1,741	636	591	27.47
2030	1,588	580	539	27.94
2031	1,450	529	493	28.46
2032	1,311	479	446	28.96
2033	1,167	426	397	29.12
2034	1,067	390	363	29.72
2035	927	338	315	30.28
2036	835	305	284	30.94
2037	766	280	261	31.62
2038	691	252	235	32.35
2039	606	221	206	32.79
2040	547	199	185	33.38
2041	503	183	170	34.12
2042	344	126	116	37.98
2043	295	108	99	39.08
2044	254	93	85	40.04
2045	224	82	75	41.02
2046	190	70	63	42.29
2047	167	61	55	42.81
2048	143	52	47	44.42
2049	114	42	38	46.84
2050	94	34	31	45.70
2051	89	32	29	46.73
2052	68	25	22	49.75
2053	62	23	20	51.32
2054	55	20	18	53.48
2055	39	14	12	59.62
2056	35	13	11	62.15
2057	29	11	9	66.35
2058	25	9	8	68.94
2059	24	9	7	70.75
2060	23	8	7	72.66
2061	21	8	6	75.65
2062	19	7	6	78.06
2063	15	5	4	88.41
2064	13	5	4	95.58
2065	10	4	3	108.13
2066	10	4	3	110.27
2067	9	3	3	112.46
2068	9	3	3	114.68
2069	9	3	3	116.95
Sub.		14,659	13,276	27.18
Rem.		25	21	140.21
Tot.		14,683	13,296	27.37

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Royalty	Pre-Processing	Allowance	Royalty	After	Revenue				
	Oil	Gas	NGL+Sul	Total	Total	Total	Expense	Crown	Other	Crown	Other	Process.	Royalty	Fixed	Variable	Total
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	2,471	7,799	5,649	15,920	291	16,210	33	2,052	142	711	31	1,452	14,725	5,352	4,834	10,186
2021	4,713	13,625	10,326	28,663	492	29,156	39	3,908	236	1,188	55	2,901	26,216	7,229	8,035	15,264
2022	5,086	13,373	10,825	29,284	499	29,782	34	4,249	248	1,001	51	3,446	26,302	6,714	7,229	13,943
2023	4,996	12,242	10,513	27,751	465	28,216	33	4,081	241	875	48	3,400	24,784	6,767	6,621	13,388
2024	4,606	11,181	9,624	25,412	420	25,832	31	3,695	227	747	46	3,130	22,671	6,642	6,088	12,731
2025	4,271	10,284	8,795	23,351	365	23,716	27	3,354	213	684	43	2,841	20,848	6,600	5,583	12,183
2026	3,963	9,492	8,107	21,562	335	21,897	25	3,065	188	629	39	2,585	19,287	6,528	5,164	11,692
2027	3,705	8,903	7,595	20,203	308	20,510	25	1,495	179	279	37	1,358	19,127	6,618	4,846	11,464
2028	3,497	8,327	7,044	18,868	280	19,148	24	1,366	171	249	35	1,253	17,871	6,602	4,515	11,117
2029	2,949	7,745	6,505	17,199	258	17,457	22	1,221	163	226	34	1,124	16,310	6,264	4,154	10,417
2030	2,714	7,212	6,038	15,964	230	16,194	18	1,131	155	209	32	1,045	15,131	5,973	3,868	9,841
2031	2,532	6,719	5,601	14,851	211	15,062	17	1,030	136	191	28	947	14,098	5,855	3,599	9,454
2032	2,318	6,209	5,135	13,662	198	13,859	16	933	127	175	26	859	12,984	5,588	3,329	8,917
2033	1,862	5,687	4,674	12,222	183	12,405	16	828	121	162	25	763	11,626	5,057	3,056	8,113
2034	1,774	5,320	4,338	11,432	147	11,579	10	767	116	150	24	710	10,859	4,974	2,864	7,838
2035	1,613	4,720	3,785	10,118	127	10,245	10	681	109	135	22	633	9,603	4,459	2,559	7,017
2036	1,546	4,358	3,442	9,347	85	9,432	9	632	97	125	19	586	8,838	4,266	2,358	6,624
2037	1,486	4,086	3,188	8,760	81	8,842	9	593	91	117	18	549	8,284	4,233	2,208	6,440
2038	1,434	3,772	2,881	8,087	75	8,162	8	549	88	107	17	512	7,641	4,073	2,037	6,110
2039	1,259	3,396	2,537	7,192	67	7,259	8	496	72	96	14	458	6,793	3,708	1,818	5,525
2040	1,154	3,111	2,330	6,595	64	6,659	8	489	71	90	14	456	6,196	3,254	1,671	4,925
2041	1,117	2,915	2,171	6,203	56	6,258	6	463	69	86	13	432	5,820	3,207	1,579	4,786
2042	1,075	1,847	1,800	4,722	49	4,771	6	368	67	55	13	367	4,399	2,537	1,014	3,551
2043	976	1,577	1,603	4,156	47	4,203	6	335	64	48	12	338	3,859	2,255	882	3,137
2044	880	1,361	1,432	3,673	45	3,718	5	305	62	41	12	314	3,398	2,033	759	2,792
2045	810	1,219	1,285	3,314	43	3,357	4	281	61	36	11	295	3,058	1,893	670	2,563
2046	747	1,052	1,111	2,910	30	2,940	3	254	58	32	11	269	2,668	1,685	583	2,267
2047	636	947	993	2,575	29	2,604	2	232	56	28	11	248	2,354	1,492	516	2,008
2048	623	807	866	2,296	28	2,325	2	213	54	25	11	231	2,091	1,355	458	1,813
2049	608	625	691	1,923	27	1,950	2	188	43	21	8	201	1,747	1,141	375	1,516
2050	421	550	577	1,548	26	1,573	2	171	41	20	8	186	1,386	874	315	1,189
2051	414	529	551	1,494	18	1,512	2	166	41	19	8	181	1,330	864	302	1,167
2052	408	388	420	1,216	18	1,234	2	139	26	14	5	146	1,086	671	250	921
2053	401	365	387	1,153	17	1,170	2	133	25	13	5	140	1,028	626	235	861
2054	395	332	340	1,066	17	1,083	2	126	22	11	4	132	949	562	212	774
2055	389	212	222	822	16	838	2	107	20	9	4	114	722	379	161	539
2056	384	194	195	773	9	783	1	103	20	8	4	111	670	340	148	489
2057	377	150	168	696	3	698	1	96	20	6	4	106	592	297	123	420
2058	357	134	147	637	3	640	1	90	19	5	4	101	538	256	111	367
2059	343	127	137	607	3	610	1	87	19	5	3	98	511	241	105	346
2060	340	123	132	594	3	597	1	99	19	5	3	109	487	226	102	329
2061	334	114	119	567	3	570	1	95	19	5	3	106	463	209	96	305
2062	330	109	111	551	3	553	1	93	19	4	3	104	449	199	92	291
2063	326	71	78	475	3	477	0	88	12	3	2	96	381	139	69	207
2064	323	59	61	442	3	444	0	87	7	3	0	91	353	109	60	169
2065	318	34	46	397	0	397	0	82	7	3	0	86	311	80	55	135
2066	314	34	45	393	0	393	0	81	7	3	0	85	308	82	54	136
2067	310	33	45	388	0	388	0	80	7	3	0	84	304	83	54	137
2068	307	33	45	385	0	385	0	80	6	3	0	84	301	85	53	138
2069	303	32	44	379	0	379	0	79	6	3	0	82	297	87	53	139
Sub.	74,513	173,535	144,751	392,798	5,677	398,475	478	41,335	4,087	8,662	819	35,942	362,056	140,760	95,924	236,684
Rem.	2,871	222	344	3,437	0	3,437	0	676	6	13	0	669	2,767	639	460	1,099
Tot.	77,383	173,757	145,095	396,235	5,677	401,912	478	42,011	4,094	8,675	819	36,611	364,823	141,398	96,384	237,782
Disc	33,770	87,562	71,671	193,003	3,051	196,054	246	22,934	1,756	5,369	365	18,956	176,851	59,494	48,612	108,106

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	9	0	-12	4,542	938	966	4,514	60	34	45	139	4,375	4,375	4,272
2021	19	0	-25	10,958	1,298	976	11,280	0	0	0	0	11,280	15,654	14,526
2022	28	0	-26	12,357	1,114	995	12,476	0	0	0	0	12,476	28,131	24,837
2023	26	0	-25	11,394	911	1,015	11,291	0	0	0	0	11,291	39,421	33,320
2024	24	0	-23	9,940	784	1,035	9,688	0	0	0	0	9,688	49,110	39,937
2025	21	0	-21	8,665	685	8,260	1,090	0	0	0	0	1,090	50,199	40,614
2026	18	0	-19	7,596	641	1,550	6,687	0	0	0	0	6,687	56,887	44,389
2027	16	0	-23	7,670	609	1,793	6,486	0	0	0	0	6,486	63,373	47,717
2028	16	0	-21	6,760	564	2,238	5,086	0	0	0	0	5,086	68,459	50,090
2029	14	0	-20	5,899	518	2,073	4,344	0	0	0	0	4,344	72,803	51,932
2030	13	0	-19	5,296	432	2,114	3,614	0	0	0	0	3,614	76,417	53,325
2031	11	0	-18	4,651	395	1,925	3,121	0	0	0	0	3,121	79,538	54,419
2032	11	0	-17	4,074	358	2,061	2,371	0	0	0	0	2,371	81,909	55,175
2033	10	0	-16	3,519	314	2,575	1,259	0	0	0	0	1,259	83,168	55,539
2034	9	0	-16	3,027	288	2,402	913	0	0	0	0	913	84,081	55,780
2035	9	0	-15	2,592	258	1,596	1,254	0	0	0	0	1,254	85,335	56,080
2036	8	0	-14	2,220	235	1,156	1,299	0	0	0	0	1,299	86,634	56,363
2037	7	0	-13	1,849	213	2,088	-26	0	0	0	0	-26	86,608	56,358
2038	7	0	-12	1,536	198	982	752	0	0	0	0	752	87,360	56,493
2039	6	0	-12	1,273	152	5,068	-3,643	0	0	0	0	-3,643	83,718	55,897
2040	6	0	-11	1,276	142	480	939	0	0	0	0	939	84,656	56,037
2041	6	0	-10	1,039	133	443	728	0	0	0	0	728	85,384	56,135
2042	5	0	-10	852	121	496	476	0	0	0	0	476	85,861	56,194
2043	5	0	-9	727	106	1,156	-322	0	0	0	0	-322	85,539	56,158
2044	5	0	-9	611	96	682	24	0	0	0	0	24	85,563	56,160
2045	5	0	-7	497	89	839	-252	0	0	0	0	-252	85,310	56,137
2046	4	0	-6	403	83	1,638	-1,152	0	0	0	0	-1,152	84,158	56,040
2047	4	0	-6	348	76	789	-364	0	0	0	0	-364	83,794	56,012
2048	4	0	-6	280	71	839	-487	0	0	0	0	-487	83,307	55,979
2049	4	0	-6	233	67	739	-440	0	0	0	0	-440	82,867	55,951
2050	2	0	-5	200	62	862	-600	0	0	0	0	-600	82,267	55,916
2051	2	0	-5	167	57	775	-551	0	0	0	0	-551	81,716	55,888
2052	2	0	-5	169	54	471	-248	0	0	0	0	-248	81,467	55,876
2053	2	0	-5	170	50	662	-441	0	0	0	0	-441	81,026	55,857
2054	2	0	-5	178	47	600	-376	0	0	0	0	-376	80,651	55,842
2055	1	0	-5	186	6	72	120	0	0	0	0	120	80,771	55,847
2056	1	0	-4	184	6	309	-119	0	0	0	0	-119	80,652	55,843
2057	1	0	-3	174	5	172	7	0	0	0	0	7	80,659	55,843
2058	1	0	-3	174	5	237	-59	0	0	0	0	-59	80,600	55,841
2059	1	0	-3	168	4	2,009	-1,837	0	0	0	0	-1,837	78,762	55,797
2060	1	0	-3	161	4	328	-163	0	0	0	0	-163	78,600	55,793
2061	1	0	-3	160	4	66	98	0	0	0	0	98	78,698	55,795
2062	1	0	-1	158	4	163	-1	0	0	0	0	-1	78,697	55,795
2063	1	0	0	173	4	122	55	0	0	0	0	55	78,752	55,796
2064	1	0	0	183	4	0	187	0	0	0	0	187	78,940	55,799
2065	1	0	0	176	0	108	67	0	0	0	0	67	79,007	55,800
2066	1	0	0	171	0	39	132	0	0	0	0	132	79,139	55,801
2067	1	0	0	166	0	85	81	0	0	0	0	81	79,220	55,802
2068	1	0	0	162	0	218	-56	0	0	0	0	-56	79,165	55,802
2069	1	0	0	157	0	6,322	-6,165	0	0	0	0	-6,165	73,000	55,744
Sub.	350	0	-499	125,521	12,206	64,588	73,139	60	34	45	139	73,000	73,000	55,744
Rem.	1	0	0	1,668	0	2,770	-1,102	0	0	0	0	-1,102	71,898	55,744
Tot.	350	0	-499	127,190	12,206	67,358	72,037	60	34	45	139	71,898	71,898	55,744
Disc	161	0	-195	68,780	6,741	19,640	55,880	59	33	44	136	55,744	55,744	55,744

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	1,045	26	1,071	987	1,000	1,071	7	60.5	9.1	7.1
Solution Gas	MMcf	3,820	134	3,954	3,682	6,000	659	4	60.5	7.6	5.9
Residue Gas	MMcf	53,027	508	53,535	49,693	6,000	8,923	61	60.5	8.5	6.9
Total: Gas	MMcf	56,848	642	57,489	53,374	6,000	9,582	65	60.5	8.4	6.8
Gas Heat Content	BBtu	60,265	699	60,965	56,575	0.000	0	0	60.5	8.4	6.8
Condensate	Mbbl	297	4	301	230	1,000	301	2	60.5	8.4	6.9
Field Condensate (NGL)	Mbbl	693	5	698	578	1,000	698	5	60.5	8.1	6.6
Butane	Mbbl	723	19	742	609	1,000	742	5	60.5	8.2	6.7
Propane	Mbbl	1,109	9	1,118	897	1,000	1,118	8	60.5	8.2	6.7
Ethane	Mbbl	1,158	10	1,167	1,096	1,000	1,167	8	60.5	8.8	6.8
Total: NGL	Mbbl	3,980	47	4,027	3,410	1,000	4,027	27	60.5	8.4	6.7
Total: Oil+NGL	Mbbl	5,027	73	5,100	4,399	1,000	5,100	35	60.5	8.5	6.8
Total: Oil Eq.	Mboe	14,503	180	14,683	13,296	1,000	14,683	100	60.5	8.4	6.8

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	42.30	1.34	42.04	0.06	-1.14	71,687	20	32,426	18
Solution Gas	\$/Mcf	2.35	0.09	1.15	0.02	1.09	11,823	3	6,168	3
Residue Gas	\$/Mcf	2.32	0.03	2.22	0.00	0.07	157,645	43	79,669	45
Total: Gas	\$/Mcf	2.32	0.04	2.13	0.00	0.15	169,468	46	85,838	49
Condensate	\$/bbl	46.35	14.61	0.00	0.00	31.75	17,572	5	7,996	5
Field Condensate (NGL)	\$/bbl	48.86	9.86	6.07	0.00	32.92	44,460	12	21,402	12
Butane	\$/bbl	22.26	5.39	0.00	0.00	16.88	27,747	8	12,806	7
Propane	\$/bbl	20.62	5.23	0.00	0.00	15.39	24,644	7	11,710	7
Ethane	\$/bbl	6.00	-0.10	0.00	0.00	6.10	9,228	3	4,605	3
Total: NGL	\$/bbl	23.84	5.31	1.08	0.00	17.45	123,651	34	58,518	33
Total: Oil+NGL	\$/bbl	27.52	4.51	9.66	0.01	13.34	195,427	54	91,024	51
Total: Oil Eq.	\$/boe	18.63	1.70	11.40	0.01	5.51	364,922	100	176,887	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Net Present Value Before Income Tax								
	Revenue Burdens (%)			Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average	M\$					M\$	M\$
Crown Royalty	12.8875	10.6026	0	127,190	72,037	139	71,898	4.90	
Non-crown Royalty	0.8941	1.0331	5	88,978	66,141	137	66,004	4.50	
Mineral Tax	0.0589	0.0884	8	75,637	59,775	136	59,639	4.06	
			10	68,780	55,880	136	55,744	3.80	
			12	63,068	52,363	135	52,228	3.56	
			15	56,093	47,771	134	47,637	3.24	
			20	47,402	41,633	133	41,500	2.83	

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:48

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: CGU 1 - West Central Alta

Reserve Class: Proved Plus Probable
 Development Class: Total
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Total Oil Production				Solution Gas Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbbl	Mbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbl	\$/bbl	Daily Mcf/d	Yearly MMcf	MMcf	\$/Mcf
2020	63	125	322	59	57	42.30	332	61	59	42.14	1,422	259	237	2.35
2021	40	97	276	101	97	48.50	276	101	97	48.49	1,243	454	416	2.51
2022	41	101	245	89	85	58.79	251	91	87	58.66	1,082	395	363	2.77
2023	44	108	424	155	146	65.31	444	162	153	65.01	1,259	460	428	2.81
2024	42	107	329	120	114	66.28	345	126	119	65.98	1,043	381	355	2.87
2025	41	104	267	98	92	67.33	279	102	97	67.05	866	316	295	2.93
2026	39	103	229	84	79	68.56	239	87	82	68.30	758	277	258	2.99
2027	38	103	201	73	68	69.83	201	73	68	69.83	666	243	231	3.05
2028	37	101	181	66	61	71.17	181	66	61	71.16	597	218	207	3.11
2029	32	100	150	55	51	73.01	150	55	51	73.01	500	183	173	3.18
2030	30	95	135	49	45	74.38	135	49	45	74.38	445	162	154	3.24
2031	29	92	123	45	41	75.82	123	45	41	75.82	407	149	141	3.30
2032	28	89	110	40	37	77.27	110	40	37	77.27	359	131	124	3.36
2033	20	86	89	33	30	79.83	89	33	30	79.83	268	98	93	3.41
2034	20	83	83	30	28	81.43	83	30	28	81.43	247	90	85	3.47
2035	17	77	74	27	25	83.08	74	27	25	83.08	216	79	75	3.54
2036	17	74	70	25	23	84.76	70	25	23	84.76	203	74	70	3.61
2037	16	71	65	24	22	86.48	65	24	22	86.48	190	70	66	3.68
2038	16	68	61	22	21	88.24	61	22	21	88.24	178	65	62	3.75
2039	14	63	54	20	18	89.79	54	20	18	89.79	158	58	55	3.82
2040	12	59	49	18	16	91.94	49	18	16	91.94	147	54	51	3.90
2041	12	57	46	17	15	93.80	46	17	15	93.80	140	51	48	3.97
2042	12	50	44	16	14	95.69	44	16	14	95.69	129	47	45	4.05
2043	9	47	35	13	11	97.84	35	13	11	97.84	106	39	37	4.13
2044	7	43	31	11	10	99.74	31	11	10	99.74	89	32	30	4.22
2045	5	40	24	9	8	101.41	24	9	8	101.41	70	26	24	4.34
2046	4	38	22	8	7	103.24	22	8	7	103.24	62	23	21	4.42
2047	3	35	18	7	6	104.76	18	7	6	104.76	54	20	19	4.50
2048	3	33	18	6	6	106.91	18	6	6	106.91	52	19	18	4.59
2049	3	30	17	6	5	109.09	17	6	5	109.09	49	18	17	4.68
2050	1	25	11	4	3	115.88	11	4	3	115.88	22	8	7	4.66
2051	1	21	11	4	3	118.19	11	4	3	118.19	21	8	7	4.75
2052	1	16	10	3	3	120.46	10	3	3	120.46	17	6	6	4.81
2053	1	12	9	3	3	122.87	9	3	3	122.87	17	6	6	4.91
2054	1	10	9	3	3	125.33	9	3	3	125.33	16	6	5	5.01
2055	1	9	9	3	3	127.83	9	3	3	127.83	16	6	5	5.11
2056	1	7	8	3	2	130.38	8	3	2	130.38	15	5	5	5.20
2057	1	7	8	3	2	132.97	8	3	2	132.97	14	5	5	5.30
2058	1	6	7	3	2	135.68	7	3	2	135.68	12	4	4	5.37
2059	1	4	7	2	2	138.36	7	2	2	138.36	11	4	4	5.47
2060	1	2	7	2	2	141.13	7	2	2	141.13	11	4	4	5.58
2061	1	2	6	2	2	143.96	6	2	2	143.96	11	4	3	5.70
2062	1	2	6	2	2	146.84	6	2	2	146.84	10	4	3	5.81
2063	1	2	6	2	2	149.77	6	2	2	149.77	10	4	3	5.93
2064	1	0	6	2	2	152.77	6	2	2	152.77	10	4	3	6.04
2065	0	0	6	2	2	155.83	6	2	2	155.83	9	3	3	6.16
2066	0	0	5	2	1	158.94	5	2	1	158.94	9	3	3	6.29
2067	0	0	5	2	1	162.13	5	2	1	162.13	9	3	3	6.41
2068	0	0	5	2	1	165.37	5	2	1	165.37	9	3	3	6.54
2069	0	0	5	2	1	168.68	5	2	1	168.68	8	3	3	6.67
Sub.				1,378	1,280	72.85		1,403	1,303	72.58		4,582	4,277	3.11
Rem.				15	12	190.39		15	12	190.39		20	20	7.30
Tot.				1,393	1,292	74.12		1,418	1,315	73.83		4,603	4,298	3.12

Year	Residue Gas Production				Total Sales Gas Production				Field Condensate (NGL) Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	20,540	3,749	3,462	2.32	22,009	4,017	3,707	2.33	294	54	44	49.27
2021	29,314	10,700	9,992	2.50	30,558	11,154	10,407	2.50	437	160	138	56.03
2022	27,539	10,052	9,382	2.75	28,623	10,447	9,746	2.75	411	150	127	65.15
2023	30,229	11,034	10,331	2.81	31,492	11,495	10,760	2.81	466	170	147	70.64
2024	30,803	11,243	10,521	2.87	31,849	11,625	10,877	2.87	471	172	148	72.37
2025	22,849	8,340	7,734	2.92	23,718	8,657	8,030	2.92	343	125	102	73.76
2026	20,908	7,631	7,057	2.98	21,668	7,909	7,316	2.98	314	115	92	75.31
2027	17,796	6,495	6,028	3.04	18,462	6,739	6,259	3.04	266	97	82	76.84
2028	15,667	5,718	5,298	3.10	16,264	5,936	5,504	3.10	232	85	71	78.45
2029	13,989	5,106	4,728	3.15	14,489	5,289	4,901	3.15	205	75	63	80.11
2030	12,577	4,590	4,261	3.21	13,021	4,753	4,415	3.21	183	67	57	81.78
2031	11,378	4,153	3,866	3.27	11,785	4,302	4,006	3.27	165	60	51	83.40
2032	10,305	3,761	3,506	3.34	10,664	3,892	3,630	3.34	149	54	46	85.11
2033	9,294	3,392	3,165	3.40	9,562	3,490	3,257	3.40	133	49	42	86.89
2034	8,474	3,093	2,888	3.47	8,721	3,183	2,973	3.47	121	44	38	88.63
2035	7,558	2,759	2,577	3.54	7,774	2,838	2,652	3.54	107	39	34	90.53
2036	6,875	2,509	2,346	3.61	7,078	2,583	2,417	3.61	97	35	31	92.36
2037	6,268	2,288	2,143	3.68	6,459	2,358	2,208	3.68	87	32	28	94.26
2038	5,710	2,084	1,954	3.75	5,888	2,149	2,016	3.75	79	29	25	96.18
2039	5,128	1,872	1,758	3.82	5,287	1,930	1,813	3.82	70	25	22	98.20
2040	4,679	1,708	1,605	3.90	4,826	1,762	1,656	3.90	64	23	21	100.16
2041	4,297	1,569	1,475	3.97	4,438	1,620	1,523	3.97	58	21	19	102.15
2042	3,307	1,207	1,132	4.11	3,436	1,254	1,177	4.11	51	19	17	104.17
2043	2,953	1,078	1,011	4.19	3,059	1,116	1,047	4.19	46	17	15	106.28
2044	2,645	966	906	4.27	2,734	998	936	4.27	42	15	14	108.43
2045	2,338	853	800	4.35	2,408	879	824	4.35	37	13	12	110.69
2046	2,061	752	705	4.44	2,123	775	726	4.44	32	12	10	112.96
2047	1,847	674	631	4.53	1,901	694	650	4.53	29	11	9	115.23
2048	1,658	605	566	4.62	1,710	624	584	4.62	26	9	8	117.51
2049	1,448	529	495	4.71	1,497	547	512	4.71	22	8	7	119.85
2050	1,189	434	406	4.80	1,211	442	414	4.80	19	7	6	122.25
2051	928	339	317	4.90	949	347	324	4.89	14	5	5	124.72
2052	618	226	212	5.00	635	232	217	5.00	10	4	3	127.30
2053	435	159	149	5.10	452	165	155	5.10	7	3	2	129.95
2054	379	138	130	5.21	395	144	135	5.21	6	2	2	132.57
2055	295	108	101	5.33	311	113	106	5.32	5	2	2	135.40
2056	239	87	82	5.45	254	93	87	5.43	4	1	1	138.03
2057	205	75	70	5.53	219	80	74	5.52	3	1	1	140.82
2058	186	68	63	5.65	198	72	67	5.63	3	1	1	143.69
2059	129	47	44	5.75	140	51	47	5.73	2	1	1	146.15
2060	67	24	22	5.82	78	28	26	5.79	1	0	0	147.65
2061	61	22	20	5.95	71	26	24	5.92	1	0	0	150.67
2062	57	21	19	6.08	67	24	22	6.04	1	0	0	153.71
2063	38	14	13	6.16	48	18	16	6.11	1	0	0	157.04
2064	17	6	6	6.25	27	10	9	6.17	0	0	0	158.48
2065	6	2	2	6.09	15	6	5	6.13	0	0	0	161.71
2066	6	2	2	6.21	15	5	5	6.26	0	0	0	164.95
2067	6	2	2	6.33	14	5	5	6.38	0	0	0	168.25
2068	5	2	2	6.46	14	5	4	6.51	0	0	0	171.61
2069	5	2	2	6.59	13	5	4	6.64	0	0	0	175.04
Sub.		122,288	113,985	3.13		126,884	118,275	3.13		1,814	1,549	78.23
Rem.		10	9	7.19		31	29	7.26		1	0	194.23
Tot.		122,298	113,994	3.14		126,914	118,304	3.13		1,815	1,549	78.26

Year	Condensate Production				Butane Production				Propane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	121	22	16	46.00	288	53	40	21.50	438	80	60	19.93
2021	149	54	43	52.58	375	137	113	27.80	538	196	160	20.05
2022	130	48	36	61.96	349	127	105	36.34	487	178	143	23.10
2023	145	53	42	67.04	380	139	117	41.11	529	193	160	23.92
2024	167	61	50	67.79	376	137	116	40.64	544	198	165	23.32
2025	121	44	34	69.40	284	103	83	41.92	408	149	116	24.21
2026	106	39	29	71.09	259	94	74	43.21	367	134	103	25.00
2027	91	33	28	72.56	222	81	70	44.06	316	115	97	25.54
2028	80	29	25	74.07	195	71	62	44.91	278	102	85	26.06
2029	71	26	22	75.63	173	63	55	45.80	247	90	75	26.57
2030	64	23	20	77.20	155	57	49	46.68	222	81	68	27.10
2031	58	21	18	78.75	140	51	45	47.63	200	73	62	27.66
2032	53	19	16	80.30	127	46	41	48.55	181	66	56	28.19
2033	47	17	15	81.84	113	41	37	49.56	161	59	50	28.68
2034	42	15	13	83.55	103	37	33	50.58	146	53	46	29.26
2035	38	14	12	85.17	91	33	30	51.54	130	47	40	29.77
2036	35	13	11	86.85	81	30	27	52.41	117	43	37	30.35
2037	32	12	10	88.57	73	27	24	53.40	106	39	33	30.94
2038	29	11	9	90.38	66	24	22	54.41	95	35	30	31.54
2039	26	10	8	92.18	59	21	19	55.40	84	31	26	32.16
2040	24	9	8	94.00	54	20	18	56.46	76	28	24	32.81
2041	22	8	7	95.86	49	18	16	57.58	70	26	22	33.48
2042	18	7	6	97.56	43	16	14	58.74	62	23	19	34.24
2043	16	6	5	99.42	39	14	13	59.92	56	20	17	34.91
2044	14	5	5	101.40	35	13	12	61.19	50	18	16	35.68
2045	13	5	4	103.33	31	11	10	62.15	43	16	14	36.32
2046	12	4	4	105.25	27	10	9	63.23	38	14	12	36.89
2047	11	4	3	107.30	24	9	8	64.49	34	12	11	37.63
2048	10	3	3	109.40	22	8	7	65.78	31	11	10	38.44
2049	8	3	3	111.54	19	7	6	67.12	27	10	8	39.28
2050	7	2	2	113.56	15	6	5	68.10	22	8	7	39.76
2051	6	2	2	115.23	12	4	4	68.51	18	6	6	40.05
2052	3	1	1	118.19	8	3	3	69.37	13	5	4	40.10
2053	3	1	1	119.64	6	2	2	68.86	10	4	3	39.89
2054	2	1	1	122.09	5	2	2	70.20	8	3	3	40.59
2055	2	1	1	124.00	4	1	1	69.98	7	2	2	40.40
2056	2	1	1	126.62	3	1	1	71.72	5	2	2	41.43
2057	1	1	0	128.89	3	1	1	72.67	5	2	1	42.11
2058	1	0	0	131.47	3	1	1	73.89	4	2	1	42.73
2059	1	0	0	134.56	2	1	1	76.96	3	1	1	44.97
2060	0	0	0	138.94	1	0	0	82.68	2	1	1	49.59
2061	0	0	0	141.65	1	0	0	84.03	2	1	1	50.35
2062	0	0	0	144.45	1	0	0	85.55	2	1	0	51.22
2063	0	0	0	146.59	1	0	0	85.59	1	0	0	51.75
2064	0	0	0	151.36	0	0	0	89.53	1	0	0	56.24
2065	0	0	0	150.14	0	0	0	93.89	1	0	0	57.37
2066	0	0	0	153.16	0	0	0	95.77	1	0	0	58.52
2067	0	0	0	156.22	0	0	0	97.70	1	0	0	59.69
2068	0	0	0	159.36	0	0	0	99.65	1	0	0	60.88
2069	0	0	0	162.55	0	0	0	101.65	1	0	0	62.10
Sub.		629	513	73.91		1,524	1,298	43.79		2,178	1,797	26.17
Rem.		0	0	184.58		1	1	122.94		1	1	81.64
Tot.		629	513	73.93		1,525	1,298	43.83		2,179	1,798	26.21

Year	Ethane Production				Natural Gas Liquids Production				Oil + Liquids Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	399	73	68	5.99	1,540	281	229	24.26	1,873	342	287	27.44
2021	552	202	190	6.41	2,051	749	644	27.83	2,327	849	741	30.28
2022	539	197	185	7.05	1,916	699	596	32.66	2,167	791	683	35.67
2023	571	209	197	7.20	2,092	764	663	35.89	2,536	925	816	40.98
2024	499	182	172	7.31	2,057	751	650	37.45	2,402	877	769	41.54
2025	394	144	135	7.47	1,550	566	470	37.69	1,829	668	567	42.17
2026	376	137	129	7.61	1,421	519	427	38.27	1,660	606	509	42.59
2027	323	118	111	7.78	1,217	444	389	38.90	1,417	517	456	43.28
2028	283	103	97	7.93	1,068	390	340	39.66	1,249	456	402	44.22
2029	253	92	87	8.09	950	347	301	40.42	1,100	401	352	44.86
2030	225	82	77	8.25	850	310	271	41.27	984	359	317	45.80
2031	204	75	70	8.42	769	281	247	42.03	891	325	288	46.68
2032	184	67	64	8.59	693	253	223	42.86	803	293	260	47.59
2033	166	61	57	8.76	620	226	200	43.69	709	259	230	48.23
2034	151	55	52	8.94	563	206	183	44.55	646	236	211	49.28
2035	133	49	46	9.11	498	182	162	45.49	573	209	187	50.38
2036	120	44	41	9.30	450	164	146	46.45	519	190	170	51.59
2037	107	39	37	9.48	405	148	132	47.51	471	172	154	52.92
2038	96	35	33	9.67	366	133	120	48.55	427	156	140	54.26
2039	84	30	29	9.87	322	117	105	49.77	376	137	123	55.54
2040	76	28	26	10.07	294	107	96	50.74	343	125	112	56.63
2041	70	26	24	10.27	270	99	89	51.69	316	115	104	57.85
2042	64	23	22	10.48	239	87	78	52.18	283	103	93	58.88
2043	58	21	20	10.67	215	78	70	53.28	249	91	82	59.45
2044	52	19	18	10.85	193	70	63	54.38	223	82	73	60.58
2045	45	16	15	11.06	169	62	55	55.71	193	70	63	61.42
2046	39	14	13	11.23	148	54	48	56.99	170	62	55	62.92
2047	34	13	12	11.45	132	48	43	58.30	150	55	49	64.00
2048	31	11	11	11.69	119	44	39	59.32	137	50	44	65.47
2049	27	10	9	11.92	104	38	34	60.50	121	44	39	67.28
2050	23	8	8	12.17	84	31	27	61.30	96	35	31	67.81
2051	17	6	6	12.41	67	25	22	62.23	78	29	25	70.02
2052	12	5	4	12.67	47	17	15	62.61	56	21	18	72.40
2053	9	3	3	12.93	34	13	11	63.35	44	16	14	75.89
2054	7	3	2	13.18	29	11	10	65.04	38	14	12	78.99
2055	5	2	2	13.42	23	8	7	66.96	31	11	10	83.56
2056	4	2	1	13.70	19	7	6	67.95	27	10	8	87.02
2057	4	1	1	13.97	16	6	5	69.35	24	9	8	89.76
2058	3	1	1	14.23	15	5	5	71.32	22	8	7	92.56
2059	3	1	1	14.58	11	4	3	70.14	18	6	5	96.36
2060	2	1	1	14.99	7	3	2	64.74	14	5	4	101.74
2061	2	1	1	15.28	6	2	2	66.66	13	5	4	105.69
2062	2	1	1	15.58	6	2	2	68.37	12	4	3	108.95
2063	1	0	0	15.88	4	2	1	70.63	10	4	3	116.84
2064	1	0	0	16.25	2	1	1	67.59	8	3	2	127.16
2065	1	0	0	16.65	2	1	1	64.27	8	3	2	132.04
2066	1	0	0	16.98	2	1	1	65.55	7	3	2	134.67
2067	1	0	0	17.32	2	1	1	66.86	7	3	2	137.35
2068	1	0	0	17.67	2	1	1	68.20	7	3	2	140.08
2069	1	0	0	18.02	2	1	1	69.55	7	2	2	142.86
Sub.		2,210	2,082	8.03		8,355	7,238	39.48		9,758	8,542	44.24
Rem.		2	2	20.07		4	4	79.23		19	16	165.55
Tot.		2,212	2,083	8.04		8,360	7,242	39.51		9,778	8,557	44.48

Oil Equivalent Production

Year	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	5,541	1,011	905	18.51
2021	7,420	2,708	2,476	19.77
2022	6,937	2,532	2,307	22.48
2023	7,784	2,841	2,610	24.73
2024	7,710	2,814	2,582	24.80
2025	5,782	2,110	1,905	25.34
2026	5,272	1,924	1,728	25.67
2027	4,494	1,640	1,500	26.13
2028	3,960	1,445	1,319	26.67
2029	3,515	1,283	1,169	27.04
2030	3,155	1,151	1,052	27.55
2031	2,855	1,042	956	28.08
2032	2,581	942	865	28.61
2033	2,303	841	773	28.99
2034	2,100	766	706	29.58
2035	1,868	682	629	30.16
2036	1,699	620	573	30.79
2037	1,547	565	522	31.45
2038	1,408	514	476	32.13
2039	1,257	459	426	32.69
2040	1,147	419	388	33.32
2041	1,056	385	358	34.02
2042	855	312	289	35.97
2043	759	277	256	36.40
2044	679	248	229	37.12
2045	594	217	200	37.57
2046	523	191	176	38.40
2047	467	171	157	39.03
2048	422	154	142	39.97
2049	371	135	125	41.02
2050	298	109	100	41.36
2051	236	86	79	42.81
2052	162	59	54	44.73
2053	119	43	40	47.19
2054	104	38	35	48.80
2055	83	30	28	51.41
2056	69	25	23	53.66
2057	61	22	20	55.74
2058	55	20	18	57.21
2059	41	15	13	61.10
2060	27	10	8	69.05
2061	24	9	8	71.62
2062	23	8	7	73.78
2063	18	7	6	81.50
2064	13	5	4	95.58
2065	10	4	3	108.13
2066	10	4	3	110.27
2067	9	3	3	112.46
2068	9	3	3	114.68
2069	9	3	3	116.95
Sub.		30,906	28,254	26.84
Rem.		25	21	140.21
Tot.		30,930	28,275	26.93

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Interest	Interest	Process.	Crown	Other	Crown	Other	After	After			
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	2,471	9,223	6,731	18,425	293	18,718	34	2,219	153	772	35	1,565	17,119	5,449	5,651	11,100
2021	4,730	27,649	20,675	53,054	502	53,556	41	5,277	257	1,501	62	3,971	49,544	7,881	14,326	22,207
2022	5,209	28,529	22,678	56,416	509	56,925	38	6,035	269	1,364	58	4,883	52,004	7,680	13,041	20,721
2023	10,380	32,162	27,237	69,780	476	70,256	36	6,674	261	1,358	54	5,524	64,696	8,310	15,223	23,533
2024	8,171	33,236	27,965	69,372	431	69,802	34	6,822	246	1,421	51	5,596	64,172	8,512	15,838	24,351
2025	6,721	25,189	21,187	53,097	375	53,472	30	6,375	230	1,294	48	5,263	48,179	8,497	12,084	20,581
2026	5,853	23,461	19,731	49,045	344	49,390	28	6,247	204	1,245	43	5,162	44,199	8,511	11,030	19,541
2027	5,027	20,362	17,157	42,546	317	42,863	28	4,254	194	818	41	3,589	39,247	8,534	9,633	18,167
2028	4,615	18,278	15,358	38,251	289	38,540	26	3,870	185	740	39	3,275	35,238	8,546	8,675	17,221
2029	3,924	16,586	13,910	34,420	267	34,687	25	3,562	176	702	37	2,999	31,662	8,246	7,857	16,103
2030	3,588	15,183	12,712	31,484	238	31,722	21	3,170	155	622	32	2,671	29,030	7,946	7,207	15,153
2031	3,329	14,009	11,713	29,051	219	29,270	20	2,829	136	542	28	2,395	26,855	7,867	6,659	14,527
2032	3,056	12,924	10,773	26,753	198	26,951	16	2,531	127	484	26	2,148	24,786	7,641	6,153	13,794
2033	2,549	11,813	9,822	24,184	183	24,366	16	2,246	121	421	25	1,921	22,429	7,074	5,641	12,715
2034	2,420	10,993	9,111	22,524	147	22,671	10	2,034	116	379	24	1,747	20,914	7,032	5,261	12,293
2035	2,222	9,992	8,224	20,438	127	20,565	10	1,817	109	341	22	1,563	18,993	6,557	4,789	11,346
2036	2,122	9,288	7,601	19,011	85	19,096	9	1,661	97	309	19	1,431	17,656	6,407	4,447	10,854
2037	2,030	8,644	7,006	17,680	81	17,761	9	1,504	91	278	18	1,300	16,452	6,356	4,123	10,478
2038	1,949	8,037	6,457	16,443	75	16,518	8	1,366	88	250	17	1,187	15,323	6,238	3,830	10,068
2039	1,748	7,357	5,828	14,934	67	15,001	8	1,228	72	222	14	1,065	13,929	5,853	3,464	9,316
2040	1,620	6,841	5,429	13,890	64	13,955	8	1,159	71	204	14	1,012	12,935	5,442	3,220	8,662
2041	1,559	6,415	5,083	13,058	56	13,113	6	1,078	69	189	13	945	12,163	5,438	3,033	8,471
2042	1,495	5,142	4,544	11,182	49	11,231	6	939	67	150	13	843	10,383	4,813	2,382	7,195
2043	1,208	4,664	4,167	10,039	47	10,086	6	854	64	135	12	770	9,310	4,410	2,136	6,546
2044	1,090	4,247	3,819	9,155	45	9,201	5	786	62	121	12	715	8,480	4,178	1,920	6,098
2045	870	3,815	3,418	8,103	43	8,146	4	704	61	107	11	646	7,495	3,805	1,684	5,488
2046	798	3,436	3,071	7,305	30	7,335	3	642	58	97	11	592	6,741	3,543	1,515	5,058
2047	685	3,138	2,806	6,628	29	6,658	2	591	56	87	11	548	6,108	3,325	1,369	4,695
2048	671	2,877	2,579	6,127	28	6,155	2	553	54	81	11	516	5,637	3,225	1,263	4,488
2049	654	2,570	2,301	5,525	27	5,552	2	507	43	73	8	468	5,081	3,048	1,131	4,179
2050	466	2,117	1,888	4,470	26	4,496	2	433	41	62	8	405	4,089	2,458	927	3,385
2051	457	1,692	1,527	3,676	18	3,694	2	364	41	53	8	344	3,347	2,040	772	2,812
2052	408	1,155	1,069	2,633	18	2,650	2	271	26	40	5	251	2,397	1,379	578	1,956
2053	401	837	794	2,032	17	2,049	2	217	25	33	5	204	1,843	1,006	458	1,464
2054	395	747	697	1,839	17	1,856	2	200	22	29	4	189	1,665	913	408	1,321
2055	389	600	556	1,545	16	1,561	2	175	20	25	4	167	1,392	736	344	1,081
2056	384	501	460	1,345	9	1,355	1	158	20	21	4	153	1,200	632	294	926
2057	377	438	416	1,232	3	1,235	1	147	20	18	4	145	1,088	595	259	854
2058	357	405	380	1,142	3	1,144	1	139	19	17	4	138	1,005	560	239	799
2059	343	291	278	912	3	915	1	117	19	12	3	121	793	433	182	616
2060	340	162	165	667	3	669	1	106	19	7	3	115	554	266	121	386
2061	334	152	151	637	3	640	1	102	19	6	3	111	527	250	113	363
2062	330	146	143	618	3	621	1	99	19	6	3	109	511	240	109	349
2063	326	106	109	540	3	543	0	95	12	5	2	101	442	180	85	266
2064	323	59	61	442	3	444	0	87	7	3	0	91	353	109	60	169
2065	318	34	46	397	0	397	0	82	7	3	0	86	311	80	55	135
2066	314	34	45	393	0	393	0	81	7	3	0	85	308	82	54	136
2067	310	33	45	388	0	388	0	80	7	3	0	84	304	83	54	137
2068	307	33	45	385	0	385	0	80	6	3	0	84	301	85	53	138
2069	303	32	44	379	0	379	0	79	6	3	0	82	297	87	53	139
Sub.	99,946	395,635	328,010	823,591	5,784	829,375	509	82,648	4,252	16,655	868	69,376	759,489	202,580	189,802	392,382
Rem.	2,871	222	344	3,437	0	3,437	0	676	6	13	0	669	2,767	639	460	1,099
Tot.	102,817	395,857	328,354	827,028	5,784	832,811	509	83,324	4,258	16,668	869	70,046	762,256	203,219	190,262	393,481
Disc	46,593	194,569	159,038	400,200	3,116	403,316	265	41,312	1,869	9,047	399	33,736	369,315	76,169	94,275	170,444

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	9	0	-12	6,022	1,008	966	6,063	4,260	579	482	5,321	743	743	725
2021	19	0	-25	27,342	1,347	976	27,713	25,358	1,318	1,872	28,548	-834	-92	-34
2022	28	0	-26	31,281	1,145	995	31,431	13,283	596	846	14,724	16,707	16,615	13,774
2023	26	0	-25	41,161	936	1,015	41,082	36,451	1,922	2,810	41,183	-101	16,514	13,698
2024	24	0	-23	39,821	801	1,035	39,586	5,740	366	689	6,794	32,792	49,306	36,095
2025	21	0	-21	27,597	697	8,260	20,034	344	40	22	406	19,629	68,935	48,283
2026	18	0	-19	24,660	645	1,550	23,755	4,332	309	413	5,054	18,701	87,636	58,839
2027	16	0	-23	21,086	612	1,793	19,906	0	0	0	0	19,906	107,541	69,054
2028	16	0	-21	18,024	567	2,238	16,352	0	0	0	0	16,352	123,894	76,683
2029	14	0	-20	15,565	521	2,129	13,957	0	0	0	0	13,957	137,850	82,602
2030	13	0	-19	13,883	434	2,190	12,127	0	0	0	0	12,127	149,978	87,277
2031	11	0	-18	12,335	397	2,080	10,652	0	0	0	0	10,652	160,629	91,011
2032	11	0	-17	10,998	360	2,061	9,297	0	0	0	0	9,297	169,927	93,973
2033	10	0	-16	9,721	316	2,575	7,462	0	0	0	0	7,462	177,389	96,135
2034	9	0	-16	8,627	290	2,548	6,369	0	0	0	0	6,369	183,758	97,812
2035	9	0	-15	7,653	259	1,596	6,317	0	0	0	0	6,317	190,075	99,324
2036	8	0	-14	6,809	237	1,156	5,890	0	0	0	0	5,890	195,964	100,606
2037	7	0	-13	5,980	215	2,255	3,940	0	0	0	0	3,940	199,904	101,385
2038	7	0	-12	5,260	199	982	4,477	0	0	0	0	4,477	204,381	102,190
2039	6	0	-12	4,618	153	5,068	-297	0	0	0	0	-297	204,084	102,142
2040	6	0	-11	4,279	144	480	3,942	0	0	0	0	3,942	208,027	102,728
2041	6	0	-10	3,696	134	547	3,283	0	0	0	0	3,283	211,310	103,172
2042	5	0	-10	3,192	122	496	2,817	0	0	0	0	2,817	214,128	103,518
2043	5	0	-9	2,769	107	1,265	1,611	0	0	0	0	1,611	215,739	103,698
2044	5	0	-9	2,386	97	682	1,801	0	0	0	0	1,801	217,540	103,880
2045	5	0	-7	2,009	90	839	1,260	0	0	0	0	1,260	218,800	103,997
2046	4	0	-6	1,685	84	1,638	130	0	0	0	0	130	218,930	104,008
2047	4	0	-6	1,415	77	1,106	386	0	0	0	0	386	219,317	104,037
2048	4	0	-6	1,151	72	979	245	0	0	0	0	245	219,561	104,054
2049	4	0	-6	904	67	1,288	-317	0	0	0	0	-317	219,245	104,034
2050	2	0	-5	707	63	1,087	-317	0	0	0	0	-317	218,928	104,016
2051	2	0	-5	539	58	918	-321	0	0	0	0	-321	218,607	103,999
2052	2	0	-5	444	54	471	27	0	0	0	0	27	218,634	104,001
2053	2	0	-5	383	50	662	-228	0	0	0	0	-228	218,406	103,991
2054	2	0	-5	347	47	1,449	-1,055	0	0	0	0	-1,055	217,351	103,949
2055	1	0	-5	315	6	1,022	-701	0	0	0	0	-701	216,649	103,924
2056	1	0	-4	277	6	1,393	-1,111	0	0	0	0	-1,111	215,539	103,889
2057	1	0	-3	236	5	913	-672	0	0	0	0	-672	214,866	103,869
2058	1	0	-3	208	5	375	-162	0	0	0	0	-162	214,704	103,864
2059	1	0	-3	179	4	2,009	-1,826	0	0	0	0	-1,826	212,879	103,820
2060	1	0	-3	170	4	603	-429	0	0	0	0	-429	212,449	103,811
2061	1	0	-3	167	4	66	105	0	0	0	0	105	212,554	103,813
2062	1	0	-1	162	4	163	4	0	0	0	0	4	212,558	103,813
2063	1	0	0	175	4	567	-388	0	0	0	0	-388	212,170	103,806
2064	1	0	0	183	4	596	-409	0	0	0	0	-409	211,761	103,800
2065	1	0	0	176	0	108	67	0	0	0	0	67	211,829	103,801
2066	1	0	0	171	0	39	132	0	0	0	0	132	211,961	103,803
2067	1	0	0	166	0	85	81	0	0	0	0	81	212,042	103,804
2068	1	0	0	162	0	379	-217	0	0	0	0	-217	211,825	103,801
2069	1	0	0	157	0	6,322	-6,165	0	0	0	0	-6,165	205,660	103,744
Sub.	350	0	-499	367,256	12,448	72,014	307,690	89,768	5,129	7,133	102,030	205,660	205,660	103,744
Rem.	1	0	0	1,668	0	2,770	-1,102	0	0	0	0	-1,102	204,558	103,744
Tot.	350	0	-499	368,924	12,448	74,784	306,588	89,768	5,129	7,133	102,030	204,558	204,558	103,744
Disc	161	0	-195	198,906	6,928	20,086	185,747	72,156	4,148	5,700	82,004	103,744	103,744	103,744

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	1,368	26	1,393	1,292	1,000	1,393	5	60.5	11.9	6.9
Solution Gas	MMcf	4,469	134	4,603	4,298	6,000	767	2	60.5	8.9	6.1
Residue Gas	MMcf	121,775	522	122,298	113,994	6,000	20,383	66	60.5	16.3	6.8
Total: Gas	MMcf	126,245	656	126,901	118,292	6,000	21,150	68	60.5	15.8	6.8
Gas Heat Content	BBtu	136,460	714	137,174	127,851	0.000	0	0	60.5	15.8	6.8
Condensate	Mbbl	625	4	629	513	1,000	629	2	60.5	14.2	6.8
Field Condensate (NGL)	Mbbl	1,809	6	1,815	1,549	1,000	1,815	6	60.5	16.9	6.7
Butane	Mbbl	1,505	20	1,525	1,298	1,000	1,525	5	60.5	14.5	6.7
Propane	Mbbl	2,169	10	2,179	1,798	1,000	2,179	7	60.5	13.6	6.7
Ethane	Mbbl	2,201	11	2,212	2,083	1,000	2,212	7	60.5	15.2	6.7
Total: NGL	Mbbl	8,310	50	8,360	7,242	1,000	8,360	27	60.5	14.9	6.7
Total: Oil+NGL	Mbbl	9,702	75	9,778	8,557	1,000	9,778	32	60.5	14.3	6.7
Total: Oil Eq.	Mboe	30,746	185	30,930	28,275	1,000	30,930	100	60.5	15.3	6.8

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	42.30	1.34	42.04	0.06	-1.14	94,446	12	43,682	12
Solution Gas	\$/Mcf	2.35	0.09	1.15	0.02	1.09	13,832	2	7,074	2
Residue Gas	\$/Mcf	2.32	0.04	2.08	0.00	0.21	368,915	48	181,643	49
Total: Gas	\$/Mcf	2.33	0.04	2.02	0.00	0.27	382,747	50	188,717	51
Condensate	\$/bbl	46.00	12.20	0.00	0.00	33.80	39,219	5	18,314	5
Field Condensate (NGL)	\$/bbl	49.27	8.59	6.46	0.00	34.22	121,924	16	58,825	16
Butane	\$/bbl	21.50	4.90	0.00	0.00	16.60	58,250	8	27,408	7
Propane	\$/bbl	19.93	4.73	0.00	0.00	15.20	47,071	6	22,848	6
Ethane	\$/bbl	5.99	-0.09	0.00	0.00	6.07	17,309	2	8,579	2
Total: NGL	\$/bbl	24.26	4.84	1.23	0.00	18.19	283,774	37	135,974	37
Total: Oil+NGL	\$/bbl	27.43	4.21	8.77	0.01	14.44	379,565	50	180,596	49
Total: Oil Eq.	\$/boe	18.51	1.58	10.63	0.01	6.29	762,355	100	369,350	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Net Present Value Before Income Tax							
	Revenue Burdens (%)			Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average	Disc. Rate %				M\$	\$/boe
Crown Royalty	12.0432	10.0751	0	368,924	306,588	102,030	204,558	6.61
Non-crown Royalty	0.8291	0.5149	5	259,381	235,178	91,054	144,124	4.66
Mineral Tax	0.0509	0.0424	8	219,523	203,144	85,424	117,720	3.81
			10	198,906	185,747	82,004	103,744	3.35
			12	181,692	170,876	78,821	92,055	2.98
			15	160,631	152,312	74,446	77,866	2.52
			20	134,310	128,621	68,064	60,557	1.96

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:57

EVALUATION OF GAIN ENERGY LTD. FOR I3 ENERGY
RESERVES ASSESSMENT AND
EVALUATION OF
CANADIAN OIL AND GAS PROPERTIES
CGU 2 - DEEP BASIN/PEACE RIVER ARCH

Effective June 30, 2020

1202568

CGU 2 - DEEP BASIN/PEACE RIVER ARCH**TABLE OF CONTENTS**

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Total Proved Plus Probable	288

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: CGU 2 - Deep Basin/Peace River Arch

Reserve Class: Various
 Development Class: Classifications
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Summary of Reserves and Values

	Proved Producing	Proved Developed Non- Producing	Proved Undeveloped	Total Proved	Total Probable	Proved Plus Probable Producing	Total Proved Plus Probable
MARKETABLE RESERVES							
Light & Medium Oil (Mbbbl)							
Total Company Interest	1,109	54	652	1,815	1,868	1,514	3,683
Working Interest	1,101	54	651	1,807	1,865	1,503	3,671
Net After Royalty	990	47	581	1,618	1,590	1,331	3,207
Tight Oil (Mbbbl)							
Total Company Interest	126	68	954	1,148	1,916	193	3,064
Working Interest	123	66	893	1,082	1,800	188	2,882
Net After Royalty	119	65	900	1,085	1,741	173	2,825
Total Oil (Mbbbl)							
Total Company Interest	1,235	123	1,605	2,963	3,784	1,707	6,747
Working Interest	1,224	120	1,544	2,889	3,665	1,690	6,554
Net After Royalty	1,109	112	1,481	2,703	3,330	1,504	6,033
Solution Gas (MMcf)							
Total Company Interest	4,495	234	2,398	7,126	7,749	6,271	14,875
Working Interest	4,481	234	2,398	7,112	7,742	6,250	14,854
Net After Royalty	4,004	206	2,259	6,469	6,981	5,578	13,450
Residue Gas (MMcf)							
Total Company Interest	18,768	7,941	4,226	30,935	10,826	23,239	41,761
Working Interest	17,574	7,895	4,226	29,695	10,405	21,638	40,100
Net After Royalty	17,463	7,300	3,960	28,724	10,144	21,671	38,868
Shale Gas (MMcf)							
Total Company Interest	864	237	3,270	4,371	6,664	1,350	11,035
Working Interest	821	232	3,178	4,232	6,470	1,287	10,702
Net After Royalty	822	224	3,107	4,153	6,301	1,271	10,454
Total Sales Gas (MMcf)							
Total Company Interest	24,126	8,411	9,894	42,431	25,240	30,860	67,671
Working Interest	22,876	8,361	9,802	41,039	24,618	29,175	65,657
Net After Royalty	22,288	7,730	9,327	39,345	23,426	28,519	62,772
Natural Gas Liquids (Mbbbl)							
Total Company Interest	1,876	162	885	2,923	1,895	2,400	4,818
Working Interest	1,805	158	881	2,845	1,867	2,309	4,712
Net After Royalty	1,590	128	801	2,520	1,662	2,045	4,181
Oil Equivalent (Mboe)							
Total Company Interest	7,133	1,687	4,139	12,958	9,885	9,251	22,844
Working Interest	6,842	1,672	4,059	12,573	9,635	8,862	22,208
Net After Royalty	6,415	1,528	3,837	11,780	8,896	8,303	20,676
BEFORE TAX PRESENT VALUE (M\$)							
0%	29,433	9,018	51,206	89,657	176,962	56,319	266,619
5%	37,213	7,736	35,492	80,441	114,121	56,900	194,562
8%	36,362	7,004	28,610	71,975	89,712	52,617	161,687
10%	35,344	6,552	24,832	66,728	77,186	49,781	143,914
12%	34,223	6,131	21,585	61,940	66,907	47,147	128,846
15%	32,530	5,560	17,530	55,620	54,684	43,631	110,304
20%	29,920	4,750	12,425	47,095	40,208	38,824	87,304

Summary of Reserves and Values

	Proved Producing	Proved Developed Non- Producing	Proved Undeveloped	Total Proved	Total Probable	Proved Plus Probable Producing	Total Proved Plus Probable
FIRST 6 YEARS BEFORE TAX CASH FLOW (M\$)							
2020 (6 Months)	5,674	56	0	5,729	-2,777	6,053	2,952
2021	10,625	203	-1,283	9,545	2,552	12,043	12,097
2022	9,622	1,003	-14,117	-3,492	3,605	11,418	113
2023	7,658	2,750	6,451	16,859	-2,757	9,626	14,102
2024	5,821	1,969	14,842	22,631	13,444	7,829	36,076
2025	-378	1,483	11,174	12,279	23,120	1,634	35,399

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
 COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Run Date: July 15, 2020 14:21:58

1202568 Class (A,B1,B2,C,F,G,I), Sproule (2020-06-30), psum

July 28, 2020 10:16:30





Company Production, Reserves and Present Value Summary

Entity Description	2020 Company Interest Prod'n										Company Interest Reserves					Net After Royalty Reserves					Reserve Life Index				Discounted Present Value (M\$)															
	Gas		Oil		NGL		Oil Eq.		Gas		Oil		NGL		Oil Eq.		Sulphur		Oil Eq.		Mboe		Mboe		0%		5%		8%		10%		12%							
	Mcf/d	bbl/d	bbl/d	boe/d	MMcf	MMcf	MMcf	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl	Mbbl								
Proved Undeveloped (Cont.)																																								
Simonette Minor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
Simonette North Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Simonette North Oil	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Simonette South Oil	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Wanyandie	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Wapiti Elmworth	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Wapiti South	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Wapiti South GORR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total: Proved Undeveloped	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Total Proved																																								
CGU 2 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Elmworth	1,494	139	44	25	113	7,620	2,598	1,117	2,255	318	267	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Elmworth Sour	265	44	5	1	14	51	16	1,532	7,032	133	95	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Kaybob	43	5	1	1	14	51	16	16	51	6	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Muskat	46	47	1	1	55	51	51	104	47	86	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Nipisi	50	60	7	7	76	68	68	102	61	78	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Simonette GORR	447	1	8	8	84	401	401	74	401	1	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Simonette Minor	0	0	0	0	0	0	0	22	35	14	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Simonette North Gas	1,337	0	0	0	0	0	0	854	3,843	0	121	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Simonette North Oil	1,058	283	51	51	510	1,595	471	814	1,448	402	62	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Simonette South Oil	961	164	37	37	361	4,126	1,101	1,948	3,920	1,040	150	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Wanyandie	212	0	18	18	53	358	334	90	334	0	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Wapiti Elmworth	35	0	2	2	8	319	0	75	277	0	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Wapiti South	6,128	163	550	550	1,734	20,223	699	6,017	18,855	624	1,704	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Wapiti South GORR	362	2	29	29	91	787	1	195	787	1	63	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total: Total Proved	12,438	908	959	959	3,940	42,431	2,963	12,958	39,345	2,703	2,520	0	11,780	0	89,657	80,441	71,975	66,728	61,940	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total Probable																																								
CGU 2 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Elmworth	125	3	4	4	28	4,772	783	2,187	4,217	661	511	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Elmworth Sour	43	47	4	4	58	2,290	129	554	2,126	118	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kaybob	2	0	0	0	1	24	3	7	24	3	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Muskat	0	1	0	0	1	12	24	26	11	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nipisi	1	1	0	0	1	18	18	28	17	20	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Simonette GORR	14	0	0	0	3	212	0	39	212	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Simonette Minor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Simonette North Gas	11	0	0	0	2	890	0	181	837	0	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Simonette North Oil	67	21	3	3	35	1,608	550	895	1,474	462	64	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Simonette South Oil	55	11	2	2	22	6,450	1,887	3,213	6,102	1,714	229	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wanyandie	6	0	0	0	1	105	0	26	98	0	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Wapiti Elmworth	1	0	0	0	0	733	0	172	684	0	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	



Company Production, Reserves and Present Value Summary

Entity Description	2020 Company Interest Prod'n										Net After Royalty Reserves										Reserve Life Index				Before Income Tax			
	Company Interest Reserves					Net After Royalty Reserves					Reserve Life Index		Discounted Present Value (M\$)															
	Gas Mcf/d	Oil bbl/d	NGL bbl/d	Oil Eq. boe/d	Gas MIMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe	Gas MIMcf	Oil Mbbl	NGL Mbbl	Sulphur Mlt	Oil Eq. Mboe	0%	5%	8%	10%	12%									
Total Provable (Cont.)	613	8	55	165	7,912	380	800	0	2,498	7,412	324	715	0	2,275	41.4	31,495	20,491	16,231	14,089	12,352								
Wapiti South	5	0	0	1	196	0	16	0	49	196	0	16	0	49	95.4	609	328	242	202	172								
Wapiti South GORR																												
Total: Total Provable	943	92	70	319	25,240	3,784	1,895	0	9,885	23,426	3,330	1,662	0	8,896	176,962	114,121	89,712	77,186	66,907									
Proved Plus Probable Producing																												
CGU 2 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-6,787	-831	-373	-277	-234									
Elmworth	1,528	142	185	582	3,028	320	367	0	1,192	2,586	281	289	0	1,002	12,278	10,430	9,495	8,945	8,447									
Elmworth Sour	271	45	25	116	649	109	61	0	278	616	102	54	0	258	3,394	3,142	2,859	2,682	2,519									
Kaybob	44	6	1	15	75	9	2	0	23	75	9	2	0	23	897	737	665	624	588									
Muskat	46	47	1	56	64	118	1	0	130	58	108	1	0	119	1,829	1,585	1,435	1,343	1,259									
Nipsi	51	61	8	77	86	102	13	0	129	77	98	9	0	120	4,6	376	406	416	422									
Simonette GORR	461	1	8	86	613	1	10	0	113	613	1	10	0	113	1,462	1,161	1,036	967	907									
Simonette Minor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0									
Simonette North Gas	1,348	0	50	274	5,086	0	187	0	1,035	4,681	0	151	0	931	2,652	3,476	3,341	3,184	3,011									
Simonette North Oil	1,126	303	54	545	1,798	564	87	0	951	1,623	467	68	0	805	15,186	12,966	11,727	11,007	10,370									
Simonette South Oil	986	161	38	364	1,174	186	46	0	428	1,106	167	41	0	392	3,002	3,625	3,783	3,833	3,854									
Wanyandie	218	0	18	55	463	0	39	0	116	432	0	32	0	104	384	325	295	278	263									
Wapiti Elmworth	36	0	2	8	60	0	4	0	14	57	0	3	0	13	-64	-43	-34	-29	-25									
Wapiti South	6,171	171	553	1,753	16,792	296	1,506	0	4,601	15,623	271	1,307	0	4,182	19,196	18,109	16,425	15,397	14,476									
Wapiti South GORR	367	2	29	92	971	2	77	0	241	971	2	77	0	241	2,621	1,842	1,557	1,411	1,291									
Total: Proved Plus Probable Producing	12,652	940	974	4,023	30,860	1,707	2,400	0	9,251	28,519	1,504	2,045	0	8,403	56,319	56,900	52,617	49,781	47,147									
Total Proved Plus Probable																												
CGU 2 - Inactive Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-6,787	-831	-373	-277	-234									
Elmworth	1,619	142	185	597	7,370	1,136	940	0	3,304	6,472	979	778	0	2,836	31,557	21,786	17,686	15,493	13,646									
Elmworth Sour	308	91	29	171	9,910	271	163	0	2,085	9,157	251	132	0	1,909	14,150	11,127	9,574	8,687	7,907									
Kaybob	44	6	1	15	75	9	2	0	23	75	9	2	0	23	897	737	665	624	588									
Muskat	46	47	1	56	64	118	1	0	130	58	108	1	0	119	1,829	1,585	1,435	1,343	1,259									
Nipsi	51	61	8	77	86	102	13	0	129	77	98	9	0	120	4,6	376	406	416	422									
Simonette GORR	461	1	8	86	613	1	10	0	113	613	1	10	0	113	1,462	1,161	1,036	967	907									
Simonette Minor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0									
Simonette North Gas	1,348	0	50	274	5,086	0	187	0	1,035	4,681	0	151	0	931	2,652	3,476	3,341	3,184	3,011									
Simonette North Oil	1,126	303	54	545	1,798	564	87	0	951	1,623	467	68	0	805	15,186	12,966	11,727	11,007	10,370									
Simonette South Oil	1,016	175	39	383	10,576	2,988	410	0	5,162	10,022	2,754	379	0	4,803	36,9	32,504	22,504	19,639	18,038									
Wanyandie	218	0	18	55	463	0	39	0	116	432	0	32	0	104	384	325	295	278	263									
Wapiti Elmworth	36	0	2	8	1,052	0	71	0	246	961	0	63	0	223	607	607	474	405	348									
Wapiti South	6,741	171	605	1,899	28,135	1,079	2,747	0	8,515	26,267	948	2,419	0	7,746	68,777	51,454	43,500	39,211	35,573									
Wapiti South GORR	367	2	29	92	983	2	78	0	244	983	2	78	0	244	2,660	1,870	1,580	1,432	1,310									
Total: Total Proved Plus Probable	13,381	999	1,029	4,259	67,671	6,747	4,818	0	22,844	62,772	6,033	4,181	0	20,676	266,619	194,562	161,687	143,914	128,846									

BOE Factors: HVY OIL 1.0 RES GAS 6.0 PROPANE 1.0 ETHANE 1.0
COND 1.0 SLN GAS 6.0 BUTANE 1.0 SULPHUR 0.0

Class (A,B,1,B2,C,F,G,I), Sproule (2020-06-30), crv

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: CGU 2 - Deep Basin/Peace River Arch

Reserve Class: Proved
 Development Class: Producing
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl
2020	40	74	737	134	122	43.75	158	29	27	41.64	894	163	149	43.38
2021	26	52	525	192	171	49.87	92	34	32	47.64	618	225	203	49.54
2022	26	52	403	147	129	60.28	58	21	20	58.04	461	168	149	60.00
2023	26	50	328	120	103	65.37	41	15	14	63.12	369	135	118	65.12
2024	25	47	272	99	87	66.65	31	11	11	64.38	304	111	98	66.41
2025	20	43	195	71	63	67.86	25	9	8	65.67	220	80	71	67.62
2026	18	41	164	60	53	69.27	20	7	7	66.98	184	67	60	69.02
2027	17	41	135	49	44	70.71	0	0	0	0.00	135	49	44	70.71
2028	13	38	113	41	37	72.04	0	0	0	0.00	113	41	37	72.04
2029	12	36	98	36	32	73.44	0	0	0	0.00	98	36	32	73.44
2030	12	32	87	32	29	74.90	0	0	0	0.00	87	32	29	74.90
2031	11	28	77	28	26	76.40	0	0	0	0.00	77	28	26	76.40
2032	9	26	60	22	20	78.04	0	0	0	0.00	60	22	20	78.04
2033	9	23	55	20	18	79.60	0	0	0	0.00	55	20	18	79.60
2034	9	22	49	18	17	81.20	0	0	0	0.00	49	18	17	81.20
2035	9	20	44	16	15	82.83	0	0	0	0.00	44	16	15	82.83
2036	6	20	28	10	10	84.79	0	0	0	0.00	28	10	10	84.79
2037	5	6	22	8	7	86.53	0	0	0	0.00	22	8	7	86.53
2038	2	6	9	3	3	88.27	0	0	0	0.00	9	3	3	88.27
2039	1	4	3	1	1	89.71	0	0	0	0.00	3	1	1	89.71
2040	0	4	1	0	0	91.49	0	0	0	0.00	1	0	0	91.49
2041	0	4	0	0	0	93.18	0	0	0	0.00	0	0	0	93.18
2042	0	4	0	0	0	94.11	0	0	0	0.00	0	0	0	94.11
2043	0	4	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2044	0	4	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2045	0	3	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2046	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2047	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2048	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2049	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				1,109	990	62.63		126	119	53.77		1,235	1,109	61.73
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				1,109	990	62.63		126	119	53.77		1,235	1,109	61.73

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	3,117	569	505	1.88	8,207	1,498	1,378	2.05	1,076	196	186	2.14
2021	2,227	813	719	2.06	6,254	2,283	2,099	2.22	601	219	209	2.36
2022	1,723	629	554	2.31	5,594	2,042	1,878	2.47	387	141	134	2.61
2023	1,375	502	441	2.37	4,919	1,795	1,653	2.52	280	102	97	2.66
2024	1,074	392	346	2.41	4,281	1,563	1,437	2.57	217	79	75	2.71
2025	865	316	279	2.44	3,665	1,338	1,232	2.64	175	64	61	2.77
2026	723	264	233	2.49	3,269	1,193	1,099	2.70	146	53	51	2.82
2027	563	206	184	2.53	2,974	1,086	1,028	2.75	6	2	2	2.81
2028	431	157	143	2.57	2,567	937	887	2.81	3	1	1	2.87
2029	349	127	116	2.61	2,270	829	785	2.88	2	1	1	2.92
2030	310	113	104	2.66	1,932	705	668	2.96	2	1	1	2.98
2031	273	100	91	2.70	1,674	611	580	3.00	2	1	1	3.04
2032	187	68	64	2.71	1,410	515	489	3.09	2	1	1	3.10
2033	169	62	58	2.76	1,167	426	404	3.19	1	1	1	3.16
2034	154	56	53	2.82	1,047	382	363	3.27	1	0	0	3.22
2035	137	50	47	2.88	918	335	318	3.34	1	0	0	3.29
2036	92	33	31	2.93	841	307	291	3.42	1	0	0	3.35
2037	66	24	23	2.92	449	164	155	3.25	1	0	0	3.42
2038	24	9	8	2.97	392	143	135	3.33	0	0	0	0.00
2039	8	3	3	3.33	289	105	100	3.45	0	0	0	0.00
2040	4	2	2	3.38	254	93	88	3.53	0	0	0	0.00
2041	1	0	0	3.64	233	85	81	3.61	0	0	0	0.00
2042	0	0	0	3.51	203	74	70	3.69	0	0	0	0.00
2043	0	0	0	0.00	183	67	63	3.78	0	0	0	0.00
2044	0	0	0	0.00	169	62	58	3.86	0	0	0	0.00
2045	0	0	0	0.00	121	44	42	4.04	0	0	0	0.00
2046	0	0	0	0.00	73	27	25	3.70	0	0	0	0.00
2047	0	0	0	0.00	31	11	11	3.78	0	0	0	0.00
2048	0	0	0	0.00	30	11	10	3.85	0	0	0	0.00
2049	0	0	0	0.00	20	7	7	3.93	0	0	0	0.00
2050	0	0	0	0.00	19	7	7	4.01	0	0	0	0.00
2051	0	0	0	0.00	18	7	6	4.09	0	0	0	0.00
2052	0	0	0	0.00	15	6	5	4.17	0	0	0	0.00
2053	0	0	0	0.00	12	5	4	4.25	0	0	0	0.00
2054	0	0	0	0.00	10	4	3	4.34	0	0	0	0.00
2055	0	0	0	0.00	10	3	3	4.42	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		4,495	4,004	2.33		18,768	17,463	2.67		864	822	2.48
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		4,495	4,004	2.33		18,768	17,463	2.67		864	822	2.48

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	12,400	2,263	2,069	2.01	37	7	6	46.58	133	24	18	45.04
2021	9,082	3,315	3,027	2.19	28	10	8	52.68	91	33	24	51.29
2022	7,704	2,812	2,566	2.44	25	9	7	61.71	73	27	19	60.59
2023	6,574	2,399	2,191	2.50	21	8	6	66.93	61	22	15	65.95
2024	5,572	2,034	1,859	2.55	18	7	5	68.33	51	19	13	67.47
2025	4,705	1,717	1,571	2.60	15	6	4	69.77	43	16	10	69.00
2026	4,138	1,510	1,382	2.66	13	5	4	71.24	38	14	9	70.46
2027	3,544	1,294	1,215	2.72	12	4	4	72.72	30	11	10	72.72
2028	3,001	1,095	1,031	2.78	10	4	3	74.23	26	9	9	74.22
2029	2,621	957	902	2.84	8	3	3	75.77	23	8	8	75.70
2030	2,244	819	773	2.91	7	3	2	77.37	21	8	7	77.13
2031	1,949	711	672	2.96	6	2	2	78.92	18	6	6	78.78
2032	1,598	583	553	3.05	5	2	2	80.44	15	6	5	80.22
2033	1,338	488	463	3.13	4	1	1	82.05	13	5	5	81.59
2034	1,203	439	416	3.21	3	1	1	83.69	12	5	4	83.12
2035	1,057	386	365	3.28	3	1	1	85.36	11	4	4	84.74
2036	934	341	323	3.37	2	1	1	87.03	10	4	3	86.36
2037	516	188	178	3.21	2	1	1	88.77	4	2	1	89.68
2038	416	152	143	3.31	2	1	1	90.56	3	1	1	91.56
2039	297	108	103	3.44	1	0	0	92.35	2	1	1	93.02
2040	258	94	89	3.53	1	0	0	94.19	2	1	1	94.63
2041	235	86	81	3.61	1	0	0	96.09	2	1	1	96.37
2042	203	74	70	3.69	1	0	0	98.03	2	1	1	98.49
2043	183	67	63	3.78	1	0	0	100.04	1	1	0	100.30
2044	169	62	58	3.86	1	0	0	102.04	1	1	0	102.20
2045	121	44	42	4.04	0	0	0	104.09	1	0	0	103.39
2046	73	27	25	3.70	0	0	0	106.17	0	0	0	111.87
2047	31	11	11	3.78	0	0	0	108.29	0	0	0	114.10
2048	30	11	10	3.85	0	0	0	110.46	0	0	0	116.39
2049	20	7	7	3.93	0	0	0	112.66	0	0	0	118.72
2050	19	7	7	4.01	0	0	0	114.92	0	0	0	121.09
2051	18	7	6	4.09	0	0	0	117.22	0	0	0	123.51
2052	15	6	5	4.17	0	0	0	119.56	0	0	0	125.98
2053	12	5	4	4.25	0	0	0	121.96	0	0	0	128.50
2054	10	4	3	4.34	0	0	0	124.39	0	0	0	131.07
2055	10	3	3	4.42	0	0	0	126.88	0	0	0	133.70
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		24,126	22,288	2.60		76	62	67.53		227	176	66.00
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		24,126	22,288	2.60		76	62	67.53		227	176	66.00

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	135	25	19	13.41	256	47	33	16.23	397	72	67	5.43
2021	100	37	27	19.86	193	71	51	17.36	303	111	103	5.84
2022	85	31	23	28.64	167	61	43	21.17	263	96	89	6.50
2023	73	26	19	34.58	143	52	37	22.31	225	82	77	6.65
2024	62	22	16	36.06	121	44	31	22.73	191	70	65	6.79
2025	51	19	13	36.99	101	37	26	23.33	161	59	55	6.91
2026	45	16	12	37.70	88	32	23	23.78	140	51	48	7.06
2027	38	14	13	38.34	76	28	25	24.27	123	45	42	7.24
2028	32	12	11	39.00	63	23	21	24.73	102	37	35	7.44
2029	28	10	9	39.74	54	20	18	25.20	87	32	30	7.63
2030	24	9	8	40.62	46	17	15	25.68	72	26	25	7.79
2031	21	8	7	41.39	40	15	13	26.22	64	23	22	7.92
2032	17	6	6	42.15	31	11	10	26.69	49	18	17	8.20
2033	14	5	5	43.10	25	9	8	27.19	39	14	13	8.27
2034	12	5	4	44.05	22	8	7	27.71	34	12	12	8.44
2035	11	4	4	44.99	20	7	6	28.25	29	11	10	8.61
2036	10	3	3	45.71	17	6	6	28.76	26	9	9	8.86
2037	6	2	2	45.73	11	4	4	29.63	19	7	6	8.99
2038	4	2	1	46.28	9	3	3	30.19	15	6	5	9.11
2039	3	1	1	47.14	6	2	2	30.70	11	4	4	9.31
2040	3	1	1	48.15	5	2	2	31.28	9	3	3	9.46
2041	2	1	1	49.19	5	2	2	31.88	8	3	3	9.65
2042	2	1	1	50.23	4	2	1	32.66	7	3	2	9.80
2043	2	1	1	51.32	4	1	1	33.29	6	2	2	9.99
2044	2	1	1	52.40	3	1	1	33.94	6	2	2	10.19
2045	1	0	0	54.01	2	1	1	34.46	4	1	1	10.40
2046	1	0	0	52.93	2	1	1	35.69	3	1	1	10.60
2047	0	0	0	53.99	1	0	0	36.40	1	1	0	10.81
2048	0	0	0	55.07	1	0	0	37.13	1	0	0	11.03
2049	0	0	0	56.17	0	0	0	37.87	1	0	0	11.25
2050	0	0	0	57.30	0	0	0	38.63	1	0	0	11.48
2051	0	0	0	58.44	0	0	0	39.40	1	0	0	11.71
2052	0	0	0	59.61	0	0	0	40.19	1	0	0	11.94
2053	0	0	0	60.80	0	0	0	40.99	1	0	0	12.18
2054	0	0	0	62.02	0	0	0	41.81	0	0	0	12.42
2055	0	0	0	63.26	0	0	0	42.65	0	0	0	12.67
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		261	208	32.66		508	392	22.51		803	752	6.92
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		261	208	32.66		508	392	22.51		803	752	6.92

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	958	175	143	16.53	1,852	338	292	29.50	3,919	715	636	20.31
2021	716	261	212	18.56	1,334	487	416	32.91	2,847	1,039	920	22.39
2022	612	224	181	22.27	1,073	392	330	38.46	2,357	860	757	25.49
2023	523	191	154	24.16	891	325	271	41.10	1,987	725	637	26.70
2024	443	162	131	24.74	746	272	229	41.70	1,675	611	538	27.04
2025	370	135	110	25.24	591	216	181	41.04	1,375	502	443	26.55
2026	324	118	96	25.85	508	185	156	41.51	1,198	437	386	26.81
2027	279	102	94	25.94	414	151	138	40.56	1,005	367	340	26.31
2028	233	85	79	26.71	346	126	116	41.47	846	309	288	26.81
2029	201	73	68	27.54	298	109	100	42.57	735	268	251	27.41
2030	169	62	57	28.55	256	94	86	44.30	630	230	215	28.39
2031	148	54	50	28.90	225	82	76	45.15	550	201	188	28.97
2032	117	43	40	30.28	177	65	60	46.55	444	162	152	29.57
2033	95	35	32	31.71	150	55	51	49.17	373	136	128	31.00
2034	85	31	29	32.75	134	49	46	50.64	334	122	115	31.84
2035	74	27	25	33.63	118	43	40	52.00	294	107	101	32.65
2036	65	24	22	34.50	93	34	32	49.91	249	91	85	31.34
2037	41	15	14	31.29	63	23	21	50.40	149	54	51	32.41
2038	33	12	11	31.14	43	16	14	43.46	112	41	38	28.85
2039	24	9	8	31.91	27	10	9	38.32	76	28	26	26.82
2040	20	7	7	32.93	21	8	7	36.02	64	24	22	26.10
2041	18	7	6	33.70	18	7	6	34.49	58	21	20	25.77
2042	16	6	5	34.39	16	6	5	34.43	49	18	17	26.00
2043	14	5	5	35.38	14	5	5	35.38	44	16	15	26.64
2044	13	5	4	36.31	13	5	4	36.31	41	15	14	27.27
2045	9	3	3	39.37	9	3	3	39.37	29	10	10	28.77
2046	7	2	2	32.27	7	2	2	32.27	19	7	6	25.73
2047	3	1	1	32.92	3	1	1	32.92	8	3	3	26.24
2048	3	1	1	33.57	3	1	1	33.57	8	3	3	26.77
2049	2	1	1	34.25	2	1	1	34.25	5	2	2	27.30
2050	2	1	1	34.93	2	1	1	34.93	5	2	2	27.85
2051	2	1	1	35.63	2	1	1	35.63	5	2	2	28.41
2052	1	0	0	36.34	1	0	0	36.34	4	1	1	28.97
2053	1	0	0	37.07	1	0	0	37.07	3	1	1	29.55
2054	1	0	0	37.81	1	0	0	37.81	3	1	1	30.14
2055	1	0	0	38.57	1	0	0	38.57	2	1	1	30.75
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		1,876	1,590	24.35		3,111	2,700	39.19		7,133	6,415	25.88
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		1,876	1,590	24.35		3,111	2,700	39.19		7,133	6,415	25.88

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Total	Total	Process.	Crown	Other	Crown	Other	After	After			
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	6,979	4,220	2,740	13,938	587	14,525	265	1,688	230	578	35	1,304	12,957	4,130	3,251	7,382
2021	11,019	6,792	4,629	22,440	830	23,270	323	2,844	394	851	47	2,339	20,609	5,614	4,728	10,341
2022	9,971	6,448	4,765	21,184	744	21,928	270	2,927	372	763	39	2,497	19,161	5,712	3,933	9,646
2023	8,678	5,644	4,417	18,738	626	19,364	231	2,768	312	680	29	2,372	16,761	5,665	3,363	9,028
2024	7,296	4,916	3,849	16,061	471	16,532	167	2,303	248	599	24	1,929	14,436	5,436	2,923	8,359
2025	5,390	4,271	3,298	12,958	363	13,322	122	1,873	207	518	17	1,544	11,655	4,568	2,223	6,791
2026	4,610	3,843	2,951	11,403	319	11,723	110	1,606	181	466	15	1,307	10,306	4,407	1,970	6,377
2027	3,474	3,357	2,550	9,381	269	9,650	100	723	148	182	13	676	8,873	3,637	1,684	5,321
2028	2,948	2,917	2,195	8,061	215	8,276	86	604	92	159	9	528	7,662	3,268	1,458	4,725
2029	2,607	2,607	1,946	7,160	193	7,353	78	516	73	139	8	442	6,833	3,094	1,303	4,397
2030	2,378	2,289	1,702	6,369	161	6,530	69	446	64	119	7	384	6,077	2,907	1,163	4,071
2031	2,145	2,018	1,508	5,672	142	5,814	64	388	54	105	4	333	5,417	2,751	1,033	3,785
2032	1,719	1,708	1,249	4,675	114	4,789	53	320	23	89	2	252	4,484	2,288	863	3,151
2033	1,584	1,470	1,065	4,119	97	4,216	45	276	21	75	2	221	3,951	2,129	756	2,885
2034	1,466	1,356	977	3,799	88	3,887	40	250	20	68	2	201	3,646	2,108	699	2,807
2035	1,329	1,216	876	3,422	81	3,503	37	224	18	60	2	180	3,286	2,022	631	2,653
2036	880	1,111	786	2,777	67	2,845	33	186	10	55	1	140	2,672	1,685	522	2,207
2037	687	576	450	1,713	49	1,762	24	123	9	37	1	95	1,644	1,014	306	1,320
2038	295	481	366	1,143	36	1,179	18	83	8	30	1	60	1,101	650	213	863
2039	96	354	262	712	33	745	17	54	0	22	0	32	697	374	136	510
2040	37	315	231	583	31	614	15	46	0	20	0	26	572	302	116	419
2041	8	297	215	519	22	541	11	42	0	18	0	23	507	278	106	384
2042	0	266	190	455	14	469	7	37	0	16	0	20	442	255	91	346
2043	0	252	179	431	1	431	0	35	0	15	0	19	412	257	86	343
2044	0	238	169	408	1	408	0	33	0	15	0	18	390	258	82	340
2045	0	178	123	301	0	301	0	24	0	10	0	14	287	193	62	255
2046	0	99	77	175	0	175	0	16	0	8	0	8	167	113	32	146
2047	0	43	34	77	0	77	0	8	0	4	0	4	73	42	14	57
2048	0	42	33	74	0	74	0	7	0	4	0	4	71	43	14	57
2049	0	29	23	52	0	52	0	5	0	3	0	3	49	29	10	38
2050	0	28	22	50	0	50	0	5	0	2	0	3	47	30	9	39
2051	0	27	21	48	0	48	0	5	0	2	0	2	45	30	9	39
2052	0	23	18	41	0	41	0	4	0	2	0	2	39	27	8	34
2053	0	19	15	35	0	35	0	3	0	2	0	2	33	23	6	30
2054	0	16	13	29	0	29	0	3	0	1	0	1	27	20	5	26
2055	0	15	12	27	0	27	0	3	0	1	0	1	26	21	5	26
2056	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2057	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2058	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2059	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2060	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	75,595	59,481	43,954	179,029	5,556	184,585	2,186	20,477	2,483	5,719	257	16,985	165,414	65,383	33,814	99,196
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	75,595	59,481	43,954	179,029	5,556	184,585	2,186	20,477	2,483	5,719	257	16,985	165,414	65,383	33,814	99,196
Disc	50,570	36,150	26,520	113,240	3,726	116,966	1,447	13,974	1,746	3,907	187	11,626	103,893	37,280	21,784	59,065

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow			
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$	
2020	0	0	0	5,575	915	816	5,674	0	0	0	0	0	5,674	5,674	5,540
2021	0	0	0	10,268	1,181	824	10,625	0	0	0	0	0	10,625	16,298	15,199
2022	0	0	0	9,515	947	841	9,622	0	0	0	0	0	9,622	25,920	23,151
2023	0	0	0	7,733	783	857	7,658	0	0	0	0	0	7,658	33,578	28,904
2024	0	0	0	6,076	619	875	5,821	0	0	0	0	0	5,821	39,399	32,880
2025	0	0	0	4,864	466	5,708	-378	0	0	0	0	0	-378	39,021	32,645
2026	0	0	0	3,929	402	2,627	1,704	0	0	0	0	0	1,704	40,725	33,607
2027	0	0	0	3,552	340	973	2,919	0	0	0	0	0	2,919	43,644	35,105
2028	0	0	0	2,936	282	1,403	1,815	0	0	0	0	0	1,815	45,459	35,952
2029	0	0	0	2,435	239	1,862	811	0	0	0	0	0	811	46,270	36,296
2030	0	0	0	2,006	186	1,159	1,034	0	0	0	0	0	1,034	47,304	36,695
2031	0	0	0	1,633	169	2,087	-285	0	0	0	0	0	-285	47,019	36,595
2032	0	0	0	1,333	136	1,828	-358	0	0	0	0	0	-358	46,661	36,480
2033	0	0	0	1,066	119	1,239	-54	0	0	0	0	0	-54	46,607	36,465
2034	0	0	0	839	105	1,340	-397	0	0	0	0	0	-397	46,210	36,360
2035	0	0	0	633	93	741	-15	0	0	0	0	0	-15	46,195	36,357
2036	0	0	0	464	70	822	-288	0	0	0	0	0	-288	45,908	36,294
2037	0	0	0	324	58	442	-60	0	0	0	0	0	-60	45,848	36,282
2038	0	0	0	238	35	137	136	0	0	0	0	0	136	45,984	36,307
2039	0	0	0	187	21	383	-175	0	0	0	0	0	-175	45,809	36,278
2040	0	0	0	153	17	643	-472	0	0	0	0	0	-472	45,337	36,208
2041	0	0	0	123	15	2,852	-2,715	0	0	0	0	0	-2,715	42,622	35,841
2042	0	0	0	96	12	553	-445	0	0	0	0	0	-445	42,176	35,786
2043	0	0	0	69	10	2,046	-1,967	0	0	0	0	0	-1,967	40,209	35,567
2044	0	0	0	50	8	165	-107	0	0	0	0	0	-107	40,102	35,556
2045	0	0	0	32	6	66	-29	0	0	0	0	0	-29	40,073	35,553
2046	0	0	0	22	5	550	-524	0	0	0	0	0	-524	39,550	35,509
2047	0	0	0	17	4	7	13	0	0	0	0	0	13	39,563	35,510
2048	0	0	0	14	4	9	8	0	0	0	0	0	8	39,571	35,511
2049	0	0	0	11	3	150	-137	0	0	0	0	0	-137	39,434	35,502
2050	0	0	0	9	2	448	-437	0	0	0	0	0	-437	38,997	35,477
2051	0	0	0	6	2	157	-149	0	0	0	0	0	-149	38,848	35,469
2052	0	0	0	5	2	0	6	0	0	0	0	0	6	38,855	35,470
2053	0	0	0	3	1	33	-28	0	0	0	0	0	-28	38,826	35,468
2054	0	0	0	2	1	0	2	0	0	0	0	0	2	38,828	35,469
2055	0	0	0	0	1	0	1	0	0	0	0	0	1	38,829	35,469
2056	0	0	0	0	0	8	-8	0	0	0	0	0	-8	38,821	35,468
2057	0	0	0	0	0	9	-9	0	0	0	0	0	-9	38,812	35,468
2058	0	0	0	0	0	8	-8	0	0	0	0	0	-8	38,804	35,468
2059	0	0	0	0	0	0	0	0	0	0	0	0	0	38,804	35,468
2060	0	0	0	0	0	2,839	-2,839	0	0	0	0	0	-2,839	35,965	35,405
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	35,965	35,405
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	35,965	35,405
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	35,965	35,405
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	35,965	35,405
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	35,965	35,405
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	35,965	35,405
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	35,965	35,405
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	35,965	35,405
2069	0	0	0	0	0	6,532	-6,532	0	0	0	0	0	-6,532	29,433	35,344
Sub.	0	0	0	66,217	7,256	44,041	29,433	0	0	0	0	0	29,433	29,433	35,344
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	29,433	35,344
Tot.	0	0	0	66,217	7,256	44,041	29,433	0	0	0	0	0	29,433	29,433	35,344
Disc	0	0	0	44,829	4,989	14,473	35,344	0	0	0	0	0	35,344	35,344	35,344

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	1,101	8	1,109	990	1,000	1,109	16	22.5	4.1	3.7
Tight Oil	Mbbl	123	3	126	119	1,000	126	2	6.5	2.2	2.0
Total: Total Oil	Mbbl	1,224	11	1,235	1,109	1,000	1,235	17	22.5	3.8	3.5
Solution Gas	MMcf	4,481	14	4,495	4,004	6,000	749	11	22.5	4.0	3.5
Residue Gas	MMcf	17,574	1,194	18,768	17,463	6,000	3,128	44	35.5	6.3	5.2
Shale Gas	MMcf	821	42	864	822	6,000	144	2	17.5	2.2	2.1
Total: Gas	MMcf	22,876	1,250	24,126	22,288	6,000	4,021	56	35.5	5.3	4.6
Gas Heat Content	BBtu	25,111	1,314	26,424	24,401	0.000	0	0	35.5	5.3	4.6
Condensate	Mbbl	218	10	227	176	1,000	227	3	35.5	4.7	4.4
Field Condensate (NGL)	Mbbl	73	4	76	62	1,000	76	1	35.5	5.6	4.6
Butane	Mbbl	253	9	261	208	1,000	261	4	35.5	5.3	4.5
Propane	Mbbl	491	16	508	392	1,000	508	7	35.5	5.4	4.5
Ethane	Mbbl	771	33	803	752	1,000	803	11	35.5	5.5	4.6
Total: NGL	Mbbl	1,805	71	1,876	1,590	1,000	1,876	26	35.5	5.4	4.5
Total: Oil+NGL	Mbbl	3,029	82	3,111	2,700	1,000	3,111	44	35.5	4.6	4.1
Total: Oil Eq.	Mboe	6,842	291	7,133	6,415	1,000	7,133	100	35.5	5.0	4.4

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	43.75	4.18	22.90	0.00	16.68	62,052	38	40,537	39
Tight Oil	\$/bbl	41.64	1.93	9.90	0.00	29.80	6,406	4	5,195	5
Total: Total Oil	\$/bbl	43.38	3.78	20.61	0.00	18.99	68,458	41	45,732	44
Solution Gas	\$/Mcf	1.88	0.08	1.13	0.00	0.67	9,742	6	6,705	6
Residue Gas	\$/Mcf	2.05	0.09	2.01	0.00	-0.05	48,132	29	28,252	27
Shale Gas	\$/Mcf	2.14	0.09	1.59	0.00	0.46	2,043	1	1,658	2
Total: Gas	\$/Mcf	2.01	0.09	1.75	0.00	0.17	59,918	36	36,614	35
Condensate	\$/bbl	45.04	12.32	0.00	0.00	32.72	11,987	7	6,960	7
Field Condensate (NGL)	\$/bbl	46.58	8.90	7.29	0.00	30.40	4,213	3	2,467	2
Butane	\$/bbl	13.41	5.65	0.00	0.00	7.76	6,690	4	3,682	4
Propane	\$/bbl	16.23	5.72	0.00	0.00	10.51	8,657	5	5,042	5
Ethane	\$/bbl	5.43	-0.09	0.00	0.00	5.52	5,492	3	3,396	3
Total: NGL	\$/bbl	16.53	4.34	0.28	0.00	11.90	37,038	22	21,547	21
Total: Oil+NGL	\$/bbl	29.50	4.07	10.10	0.00	15.33	105,496	64	67,279	65
Total: Oil Eq.	\$/boe	20.31	2.19	10.25	0.00	7.86	165,414	100	103,893	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**Net Present Value Before Income Tax**

	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	12.1100	11.4380	0	66,217	29,433	0	29,433	4.13
Non-crown Royalty	1.6483	1.3871	5	53,374	37,213	0	37,213	5.22
Mineral Tax	0.0000	0.0000	8	47,874	36,362	0	36,362	5.10
			10	44,829	35,344	0	35,344	4.96
			12	42,173	34,223	0	34,223	4.80
			15	38,775	32,530	0	32,530	4.56
			20	34,278	29,920	0	29,920	4.19

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:47

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: CGU 2 - Deep Basin/Peace River Arch

Reserve Class: Proved
 Development Class: Developed Non-Producing
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily	Yearly			Daily	Yearly			Daily	Yearly		
2020	0	0	0	0	0	0.00	13	2	2	41.53	13	2	2	41.53
2021	0	1	0	0	0	0.00	19	7	7	47.64	19	7	7	47.64
2022	4	11	15	6	5	60.57	31	11	11	59.57	46	17	15	59.91
2023	4	11	27	10	8	65.69	38	14	13	65.14	65	24	21	65.37
2024	4	10	21	8	7	66.96	31	11	11	66.80	52	19	17	66.87
2025	4	9	18	7	6	68.31	27	10	9	68.43	45	16	15	68.38
2026	4	9	16	6	5	69.68	21	8	7	69.83	37	13	12	69.77
2027	3	8	13	5	4	71.08	7	3	3	72.68	21	8	7	71.65
2028	2	7	10	4	3	72.56	6	2	2	74.13	17	6	5	73.17
2029	1	7	9	3	3	74.02	0	0	0	0.00	9	3	3	74.02
2030	1	5	8	3	3	75.50	0	0	0	0.00	8	3	3	75.50
2031	0	5	2	1	1	77.01	0	0	0	0.00	2	1	1	77.01
2032	0	4	2	1	1	78.55	0	0	0	0.00	2	1	1	78.55
2033	0	3	2	1	1	80.12	0	0	0	0.00	2	1	1	80.12
2034	0	3	2	1	1	81.72	0	0	0	0.00	2	1	1	81.72
2035	0	2	1	0	0	83.36	0	0	0	0.00	1	0	0	83.36
2036	0	2	1	0	0	85.02	0	0	0	0.00	1	0	0	85.02
2037	0	1	1	0	0	86.72	0	0	0	0.00	1	0	0	86.72
2038	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2039	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2040	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2041	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2042	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2043	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2044	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2045	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2046	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2047	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2048	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2049	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				54	47	69.21		68	65	63.48		123	112	66.01
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				54	47	69.21		68	65	63.48		123	112	66.01

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	0	0	0	0.00	9	2	2	1.91	30	5	5	2.21
2021	0	0	0	0.00	173	63	55	2.27	42	15	15	2.36
2022	58	21	18	2.04	1,847	674	590	2.49	114	41	39	2.17
2023	103	38	33	2.09	3,980	1,453	1,290	2.56	157	57	55	2.15
2024	91	33	29	2.12	3,064	1,119	1,016	2.60	117	43	40	2.36
2025	79	29	25	2.17	2,435	889	817	2.66	94	34	32	2.57
2026	70	25	22	2.21	2,049	748	697	2.72	72	26	24	2.67
2027	61	22	20	2.25	1,698	620	583	2.78	20	7	7	3.48
2028	54	20	18	2.29	1,432	523	494	2.83	17	6	6	3.55
2029	47	17	16	2.33	1,251	457	433	2.89	0	0	0	0.00
2030	42	15	14	2.38	892	325	309	2.94	0	0	0	0.00
2031	7	3	2	2.42	797	291	276	3.00	0	0	0	0.00
2032	6	2	2	2.47	568	207	197	3.06	0	0	0	0.00
2033	5	2	2	2.52	444	162	154	3.12	0	0	0	0.00
2034	5	2	2	2.57	402	147	139	3.18	0	0	0	0.00
2035	4	1	1	2.62	299	109	104	3.24	0	0	0	0.00
2036	4	1	1	2.67	271	99	94	3.31	0	0	0	0.00
2037	3	1	1	2.73	83	30	29	3.36	0	0	0	0.00
2038	0	0	0	0.00	8	3	3	3.16	0	0	0	0.00
2039	0	0	0	0.00	7	3	3	3.22	0	0	0	0.00
2040	0	0	0	0.00	7	3	2	3.29	0	0	0	0.00
2041	0	0	0	0.00	6	2	2	3.35	0	0	0	0.00
2042	0	0	0	0.00	6	2	2	3.42	0	0	0	0.00
2043	0	0	0	0.00	6	2	2	3.49	0	0	0	0.00
2044	0	0	0	0.00	5	2	2	3.56	0	0	0	0.00
2045	0	0	0	0.00	5	2	2	3.63	0	0	0	0.00
2046	0	0	0	0.00	5	2	2	3.70	0	0	0	0.00
2047	0	0	0	0.00	4	2	2	3.78	0	0	0	0.00
2048	0	0	0	0.00	4	2	1	3.85	0	0	0	0.00
2049	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		234	206	2.21		7,941	7,300	2.73		237	224	2.40
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		234	206	2.21		7,941	7,300	2.73		237	224	2.40

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	39	7	7	2.14	0	0	0	46.45	0	0	0	42.08
2021	216	79	70	2.29	0	0	0	52.53	1	0	0	52.45
2022	2,018	737	648	2.46	1	1	0	61.71	13	5	3	63.17
2023	4,240	1,548	1,377	2.53	2	1	0	66.96	28	10	6	68.67
2024	3,272	1,194	1,085	2.58	1	0	0	68.22	21	8	5	70.11
2025	2,609	952	875	2.64	1	0	0	69.66	17	6	4	71.55
2026	2,190	799	743	2.70	1	0	0	71.13	14	5	3	73.07
2027	1,780	650	610	2.77	0	0	0	72.61	11	4	3	74.79
2028	1,503	548	518	2.82	0	0	0	74.14	10	3	3	76.37
2029	1,299	474	449	2.87	0	0	0	75.71	8	3	3	78.15
2030	934	341	323	2.91	0	0	0	77.30	6	2	2	79.69
2031	804	294	279	2.99	0	0	0	78.85	5	2	1	81.78
2032	575	210	199	3.05	0	0	0	80.40	3	1	1	83.38
2033	450	164	156	3.11	0	0	0	82.01	3	1	1	85.04
2034	407	149	141	3.18	0	0	0	83.71	2	1	1	86.74
2035	303	111	105	3.24	0	0	0	85.39	2	1	1	88.46
2036	274	100	95	3.30	0	0	0	87.10	2	1	1	90.22
2037	86	31	30	3.34	0	0	0	88.83	1	0	0	91.73
2038	8	3	3	3.16	0	0	0	90.61	0	0	0	95.47
2039	7	3	3	3.22	0	0	0	92.43	0	0	0	97.39
2040	7	3	2	3.29	0	0	0	94.28	0	0	0	99.33
2041	6	2	2	3.35	0	0	0	96.16	0	0	0	101.32
2042	6	2	2	3.42	0	0	0	98.09	0	0	0	103.34
2043	6	2	2	3.49	0	0	0	100.04	0	0	0	105.42
2044	5	2	2	3.56	0	0	0	102.04	0	0	0	107.52
2045	5	2	2	3.63	0	0	0	104.08	0	0	0	109.68
2046	5	2	2	3.70	0	0	0	106.17	0	0	0	111.86
2047	4	2	2	3.78	0	0	0	108.30	0	0	0	114.10
2048	4	2	1	3.85	0	0	0	110.46	0	0	0	116.39
2049	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		8,411	7,730	2.71		3	2	69.23		53	39	72.87
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		8,411	7,730	2.71		3	2	69.23		53	39	72.87

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	0	0	0	15.35	0	0	0	18.40	0	0	0	5.54
2021	2	1	0	23.77	3	1	1	18.55	7	2	2	9.04
2022	10	4	3	31.75	17	6	5	21.33	22	8	7	7.82
2023	15	6	4	38.12	24	9	6	22.44	23	8	8	7.57
2024	11	4	3	39.32	16	6	4	22.83	14	5	5	8.17
2025	9	3	2	40.21	13	5	3	23.26	11	4	4	8.39
2026	7	3	2	41.15	10	4	3	23.71	8	3	3	8.58
2027	5	2	2	42.69	7	3	2	24.12	4	1	1	9.53
2028	4	1	1	43.72	5	2	2	24.61	2	1	1	7.43
2029	3	1	1	44.59	4	2	1	25.16	2	1	1	7.58
2030	3	1	1	45.23	3	1	1	25.69	1	1	1	7.72
2031	2	1	1	46.25	3	1	1	26.17	1	0	0	7.88
2032	1	0	0	47.43	2	1	1	26.67	1	0	0	8.03
2033	1	0	0	48.18	1	1	0	27.22	1	0	0	8.20
2034	1	0	0	49.18	1	0	0	27.76	1	0	0	8.36
2035	1	0	0	49.86	1	0	0	28.34	1	0	0	8.53
2036	1	0	0	51.18	1	0	0	28.88	0	0	0	8.70
2037	0	0	0	50.30	0	0	0	29.62	0	0	0	8.87
2038	0	0	0	45.18	0	0	0	30.46	0	0	0	9.05
2039	0	0	0	46.08	0	0	0	31.07	0	0	0	9.23
2040	0	0	0	47.00	0	0	0	31.69	0	0	0	9.41
2041	0	0	0	47.94	0	0	0	32.32	0	0	0	9.60
2042	0	0	0	48.90	0	0	0	32.97	0	0	0	9.79
2043	0	0	0	49.88	0	0	0	33.63	0	0	0	9.99
2044	0	0	0	50.88	0	0	0	34.30	0	0	0	10.19
2045	0	0	0	51.90	0	0	0	34.99	0	0	0	10.39
2046	0	0	0	52.93	0	0	0	35.69	0	0	0	10.60
2047	0	0	0	53.99	0	0	0	36.40	0	0	0	10.81
2048	0	0	0	55.07	0	0	0	37.13	0	0	0	11.03
2049	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		27	21	39.79		42	32	23.38		37	34	8.15
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		27	21	39.79		42	32	23.38		37	34	8.15

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	1	0	0	19.29	15	3	3	39.88	21	4	4	31.52
2021	13	5	4	17.59	32	12	11	35.44	68	25	22	23.97
2022	63	23	19	28.13	109	40	34	41.55	445	163	142	21.30
2023	91	33	25	36.14	156	57	46	48.27	863	315	276	21.16
2024	64	23	17	38.87	116	42	34	51.46	661	241	215	21.81
2025	50	18	13	40.30	95	35	28	53.63	530	193	174	22.62
2026	40	15	11	41.97	77	28	23	55.22	442	161	147	22.98
2027	27	10	9	46.44	48	18	15	57.35	345	126	117	22.30
2028	20	7	6	51.30	37	14	12	61.07	287	105	98	22.61
2029	17	6	6	52.12	26	10	8	59.52	243	89	83	21.80
2030	13	5	4	51.86	21	8	7	60.59	177	65	61	22.67
2031	11	4	3	52.04	13	5	4	56.65	147	54	51	21.37
2032	7	3	2	54.69	9	3	3	59.99	105	38	36	22.02
2033	6	2	2	54.64	8	3	3	60.57	83	30	28	22.56
2034	5	2	2	55.94	7	2	2	61.77	75	27	26	22.96
2035	4	2	1	55.33	6	2	2	62.16	56	20	19	23.61
2036	4	1	1	58.39	5	2	2	64.98	50	18	17	24.05
2037	2	1	1	49.57	3	1	1	63.83	17	6	6	26.84
2038	1	0	0	27.54	1	0	0	27.54	2	1	1	21.96
2039	1	0	0	28.09	1	0	0	28.09	2	1	1	22.40
2040	1	0	0	28.66	1	0	0	28.66	2	1	1	22.85
2041	1	0	0	29.23	1	0	0	29.23	2	1	1	23.30
2042	1	0	0	29.81	1	0	0	29.81	2	1	1	23.77
2043	1	0	0	30.41	1	0	0	30.41	1	1	0	24.24
2044	0	0	0	31.02	0	0	0	31.02	1	0	0	24.73
2045	0	0	0	31.64	0	0	0	31.64	1	0	0	25.22
2046	0	0	0	32.27	0	0	0	32.27	1	0	0	25.73
2047	0	0	0	32.92	0	0	0	32.92	1	0	0	26.24
2048	0	0	0	33.57	0	0	0	33.57	1	0	0	26.77
2049	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		162	128	39.75		285	240	51.06		1,687	1,528	22.11
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		162	128	39.75		285	240	51.06		1,687	1,528	22.11

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Total	Total	Process.	Crown	Other	Crown	Other	After	After			
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	93	14	4	110	11	121	0	6	0	1	0	6	115	18	17	35
2021	302	173	80	555	41	596	4	36	15	7	2	42	550	105	95	200
2022	983	1,792	635	3,410	53	3,463	14	447	42	208	5	277	3,173	548	1,107	1,655
2023	1,526	3,899	1,192	6,617	45	6,662	13	940	51	416	5	570	6,079	1,152	2,439	3,591
2024	1,259	3,071	896	5,226	38	5,264	12	692	33	305	4	416	4,837	1,087	1,946	3,033
2025	1,113	2,504	724	4,340	33	4,373	10	541	28	234	3	332	4,031	1,101	1,601	2,702
2026	922	2,147	607	3,676	29	3,705	9	427	24	186	3	262	3,433	1,123	1,372	2,495
2027	545	1,789	455	2,790	17	2,807	9	224	20	95	2	147	2,651	839	1,124	1,963
2028	442	1,539	377	2,357	16	2,373	8	178	12	78	1	111	2,254	756	981	1,737
2029	241	1,351	326	1,918	14	1,932	7	137	11	64	1	83	1,842	629	842	1,471
2030	216	986	248	1,450	13	1,463	7	103	10	47	1	65	1,392	495	622	1,117
2031	67	872	196	1,135	12	1,147	6	79	0	40	0	40	1,101	372	523	895
2032	59	639	144	842	2	844	1	59	0	29	0	29	814	279	385	664
2033	52	510	116	678	2	681	1	46	0	23	0	23	656	238	307	545
2034	46	471	108	625	0	625	0	41	0	21	0	21	605	242	284	526
2035	41	358	84	483	0	483	0	32	0	16	0	16	467	198	216	414
2036	36	331	76	443	0	443	0	29	0	14	0	14	429	198	200	397
2037	32	105	30	167	0	167	0	11	0	5	0	6	161	85	65	150
2038	0	9	7	16	0	16	0	1	0	1	0	1	15	7	3	9
2039	0	9	7	15	0	15	0	1	0	1	0	1	15	7	3	9
2040	0	8	6	15	0	15	0	1	0	1	0	1	14	7	3	9
2041	0	8	6	14	0	14	0	1	0	1	0	1	13	7	3	9
2042	0	8	6	13	0	13	0	1	0	1	0	1	13	7	2	10
2043	0	7	6	13	0	13	0	1	0	1	0	1	12	7	2	10
2044	0	7	5	12	0	12	0	1	0	1	0	1	12	7	2	10
2045	0	7	5	12	0	12	0	1	0	1	0	1	11	7	2	10
2046	0	6	5	11	0	11	0	1	0	0	0	1	11	8	2	10
2047	0	6	5	11	0	11	0	1	0	0	0	0	10	8	2	10
2048	0	6	5	10	0	10	0	1	0	0	0	0	10	8	2	10
2049	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2050	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2051	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2052	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2053	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2054	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2055	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2056	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2057	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2058	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2059	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2060	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	7,976	22,630	6,358	36,964	327	37,291	101	4,042	245	1,795	28	2,464	34,726	9,545	14,150	23,694
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	7,976	22,630	6,358	36,964	327	37,291	101	4,042	245	1,795	28	2,464	34,726	9,545	14,150	23,694
Disc	5,160	13,003	3,770	21,934	221	22,155	61	2,549	164	1,124	18	1,570	20,524	5,201	8,159	13,360

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	80	0	0	81	0	0	25	25	56	56	54
2021	0	0	0	350	4	0	354	4	0	148	151	203	259	239
2022	0	0	0	1,518	160	0	1,678	391	26	258	675	1,003	1,262	1,068
2023	0	0	0	2,489	262	0	2,750	0	0	0	0	2,750	4,012	3,134
2024	0	0	0	1,804	192	0	1,995	0	27	0	27	1,969	5,981	4,479
2025	0	0	0	1,329	153	0	1,483	0	0	0	0	1,483	7,463	5,399
2026	0	0	0	939	127	0	1,065	0	0	0	0	1,065	8,529	6,001
2027	0	0	0	688	86	0	775	0	0	0	0	775	9,303	6,398
2028	0	0	0	517	75	277	315	0	0	0	0	315	9,618	6,545
2029	0	0	0	370	65	142	294	0	0	0	0	294	9,912	6,670
2030	0	0	0	275	57	0	332	0	0	0	0	332	10,244	6,798
2031	0	0	0	206	30	294	-58	0	0	0	0	-58	10,186	6,777
2032	0	0	0	150	26	193	-17	0	0	0	0	-17	10,168	6,772
2033	0	0	0	111	22	160	-26	0	0	0	0	-26	10,142	6,764
2034	0	0	0	79	19	337	-239	0	0	0	0	-239	9,903	6,701
2035	0	0	0	53	17	160	-90	0	0	0	0	-90	9,813	6,680
2036	0	0	0	31	14	231	-186	0	0	0	0	-186	9,627	6,639
2037	0	0	0	11	12	108	-85	0	0	0	0	-85	9,542	6,623
2038	0	0	0	6	1	0	7	0	0	0	0	7	9,549	6,624
2039	0	0	0	5	1	113	-106	0	0	0	0	-106	9,443	6,606
2040	0	0	0	5	1	9	-4	0	0	0	0	-4	9,439	6,606
2041	0	0	0	4	1	270	-266	0	0	0	0	-266	9,173	6,570
2042	0	0	0	3	1	153	-149	0	0	0	0	-149	9,024	6,552
2043	0	0	0	3	1	0	3	0	0	0	0	3	9,027	6,552
2044	0	0	0	2	1	0	3	0	0	0	0	3	9,030	6,552
2045	0	0	0	2	1	0	2	0	0	0	0	2	9,032	6,552
2046	0	0	0	1	1	0	2	0	0	0	0	2	9,034	6,553
2047	0	0	0	1	1	0	1	0	0	0	0	1	9,035	6,553
2048	0	0	0	0	0	0	1	0	0	0	0	1	9,036	6,553
2049	0	0	0	0	0	0	0	0	0	0	0	0	9,036	6,553
2050	0	0	0	0	0	0	0	0	0	0	0	0	9,036	6,553
2051	0	0	0	0	0	0	0	0	0	0	0	0	9,036	6,553
2052	0	0	0	0	0	0	0	0	0	0	0	0	9,036	6,553
2053	0	0	0	0	0	17	-17	0	0	0	0	-17	9,018	6,552
2054	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2055	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2056	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2057	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2058	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2059	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2060	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2061	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2062	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2063	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2064	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2065	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2066	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2067	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2068	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
2069	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
Sub.	0	0	0	11,032	1,329	2,465	9,896	395	53	430	877	9,018	9,018	6,552
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	9,018	6,552
Tot.	0	0	0	11,032	1,329	2,465	9,896	395	53	430	877	9,018	9,018	6,552
Disc	0	0	0	7,164	800	675	7,289	327	40	371	738	6,552	6,552	6,552

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	54	0	54	47	1,000	54	3	17.5	9.6	5.6
Tight Oil	Mbbl	66	2	68	65	1,000	68	4	8.5	13.9	4.0
Total: Total Oil	Mbbl	120	2	123	112	1,000	123	7	17.5	25.0	4.6
Solution Gas	MMcf	234	0	234	206	6,000	39	2	17.5	11.1	5.9
Residue Gas	MMcf	7,895	46	7,941	7,300	6,000	1,323	78	28.5	999.9	5.7
Shale Gas	MMcf	232	5	237	224	6,000	39	2	8.5	21.7	4.0
Total: Gas	MMcf	8,361	50	8,411	7,730	6,000	1,402	83	28.5	591.3	5.7
Gas Heat Content	BBtu	8,593	54	8,646	7,946	0.000	0	0	28.5	591.3	5.7
Condensate	Mbbl	53	0	53	39	1,000	53	3	28.5	622.1	5.6
Field Condensate (NGL)	Mbbl	2	0	3	2	1,000	3	0	28.5	177.0	4.2
Butane	Mbbl	27	0	27	21	1,000	27	2	28.5	503.4	5.0
Propane	Mbbl	40	1	42	32	1,000	42	2	28.5	487.2	4.8
Ethane	Mbbl	35	2	37	34	1,000	37	2	28.5	244.7	4.0
Total: NGL	Mbbl	158	4	162	128	1,000	162	10	28.5	413.5	4.9
Total: Oil+NGL	Mbbl	279	6	285	240	1,000	285	17	28.5	53.7	4.7
Total: Oil Eq.	Mboe	1,672	14	1,687	1,528	1,000	1,687	100	28.5	219.9	5.5

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	3,255	9	1,897	9
Tight Oil	\$/bbl	41.53	1.89	11.97	0.00	27.67	4,125	12	2,900	14
Total: Total Oil	\$/bbl	41.53	1.89	11.97	0.00	27.67	7,380	21	4,797	23
Solution Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	494	1	290	1
Residue Gas	\$/Mcf	1.91	-0.08	1.89	0.00	0.09	21,257	61	12,128	59
Shale Gas	\$/Mcf	2.21	0.10	0.45	0.00	1.65	543	2	380	2
Total: Gas	\$/Mcf	2.14	0.06	0.79	0.00	1.29	22,294	64	12,798	62
Condensate	\$/bbl	42.08	4.48	0.00	0.00	37.60	3,014	9	1,694	8
Field Condensate (NGL)	\$/bbl	46.45	8.68	7.00	0.00	30.77	149	0	92	0
Butane	\$/bbl	15.35	4.58	0.00	0.00	10.78	875	3	513	2
Propane	\$/bbl	18.40	5.31	0.00	0.00	13.10	728	2	440	2
Ethane	\$/bbl	5.54	-0.44	0.00	0.00	5.98	284	1	190	1
Total: NGL	\$/bbl	19.29	2.94	0.27	0.00	16.08	5,052	15	2,929	14
Total: Oil+NGL	\$/bbl	39.88	1.97	11.11	0.00	26.81	12,432	36	7,726	38
Total: Oil Eq.	\$/boe	31.52	1.47	9.13	0.00	20.92	34,726	100	20,524	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Net Present Value Before Income Tax							
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	5.6369	10.9340	0	11,032	9,896	877	9,018	5.35
Non-crown Royalty	0.0000	0.6629	5	8,770	8,539	803	7,736	4.59
Mineral Tax	0.0000	0.0000	8	7,746	7,766	762	7,004	4.15
			10	7,164	7,289	738	6,552	3.88
			12	6,649	6,845	714	6,131	3.64
			15	5,979	6,240	681	5,560	3.30
			20	5,077	5,382	631	4,750	2.82

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:52

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: CGU 2 - Deep Basin/Peace River Arch

Reserve Class: Proved
 Development Class: Undeveloped
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl
2020	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2021	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2022	5	0	264	96	90	60.23	208	76	72	58.04	472	172	162	59.27
2023	9	2	444	162	145	65.11	587	214	204	63.12	1,031	376	349	63.98
2024	9	2	214	78	63	66.44	541	197	188	64.38	755	276	251	64.97
2025	9	2	143	52	43	67.80	279	102	97	65.67	422	154	140	66.39
2026	9	2	108	39	34	69.18	183	67	64	66.98	291	106	98	67.80
2027	11	2	87	32	28	70.58	155	57	53	68.33	242	88	82	69.14
2028	10	2	73	27	24	71.99	121	44	40	69.69	194	71	64	70.56
2029	10	2	63	23	21	73.44	99	36	33	71.08	162	59	54	72.00
2030	10	2	56	20	19	74.92	84	31	28	72.50	139	51	47	73.47
2031	10	2	50	18	17	76.42	72	26	24	73.95	122	44	41	74.96
2032	10	2	45	16	15	77.96	64	23	22	75.43	108	39	37	76.47
2033	10	2	40	15	14	79.52	56	21	19	76.94	96	35	33	78.01
2034	10	2	32	12	11	81.20	50	18	17	78.48	83	30	28	79.54
2035	8	2	27	10	9	82.89	42	15	14	80.05	69	25	24	81.15
2036	8	2	24	9	8	84.54	38	14	13	81.65	62	23	21	82.78
2037	8	2	22	8	8	86.24	34	12	12	83.28	56	20	19	84.43
2038	4	0	20	7	7	87.96	0	0	0	0.00	20	7	7	87.96
2039	4	0	18	6	6	89.72	0	0	0	0.00	18	6	6	89.72
2040	4	0	16	6	5	91.51	0	0	0	0.00	16	6	5	91.51
2041	4	0	14	5	5	93.34	0	0	0	0.00	14	5	5	93.34
2042	4	0	11	4	4	95.23	0	0	0	0.00	11	4	4	95.23
2043	4	0	10	4	3	97.13	0	0	0	0.00	10	4	3	97.13
2044	2	0	5	2	2	99.08	0	0	0	0.00	5	2	2	99.08
2045	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2046	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2047	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2048	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2049	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				652	581	69.62		954	900	66.74		1,605	1,481	67.91
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				652	581	69.62		954	900	66.74		1,605	1,481	67.91

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2021	0	0	0	0.00	1,749	638	602	2.06	0	0	0	0.00
2022	1,013	370	351	2.31	894	326	305	2.30	1,083	395	376	2.61
2023	1,485	542	510	2.38	1,616	590	556	2.36	2,142	782	743	2.67
2024	819	299	278	2.42	1,253	457	431	2.40	1,407	514	489	2.71
2025	542	198	185	2.47	929	339	318	2.45	795	290	276	2.77
2026	409	149	140	2.52	736	268	251	2.50	545	199	189	2.83
2027	329	120	113	2.57	607	221	207	2.55	536	196	185	2.88
2028	277	101	95	2.62	516	188	176	2.60	430	157	148	2.94
2029	238	87	82	2.67	446	163	151	2.65	359	131	124	3.00
2030	209	76	72	2.72	391	143	132	2.70	308	112	107	3.06
2031	186	68	64	2.78	346	126	117	2.75	269	98	93	3.12
2032	167	61	58	2.83	309	113	104	2.81	238	87	82	3.18
2033	150	55	52	2.89	275	101	93	2.86	211	77	73	3.24
2034	120	44	41	2.94	247	90	84	2.92	190	69	66	3.31
2035	99	36	34	2.99	223	81	76	2.98	165	60	57	3.37
2036	90	33	31	3.05	202	74	69	3.04	149	54	52	3.44
2037	80	29	28	3.11	183	67	63	3.10	134	49	46	3.51
2038	72	26	25	3.18	88	32	30	3.16	0	0	0	0.00
2039	65	24	23	3.24	79	29	27	3.22	0	0	0	0.00
2040	59	21	20	3.30	71	26	24	3.29	0	0	0	0.00
2041	53	19	18	3.37	64	23	22	3.35	0	0	0	0.00
2042	46	17	16	3.42	58	21	20	3.42	0	0	0	0.00
2043	42	15	14	3.49	52	19	18	3.49	0	0	0	0.00
2044	19	7	7	3.56	47	17	16	3.56	0	0	0	0.00
2045	0	0	0	0.00	42	15	14	3.63	0	0	0	0.00
2046	0	0	0	0.00	38	14	13	3.70	0	0	0	0.00
2047	0	0	0	0.00	34	12	12	3.78	0	0	0	0.00
2048	0	0	0	0.00	31	11	11	3.85	0	0	0	0.00
2049	0	0	0	0.00	27	10	9	3.93	0	0	0	0.00
2050	0	0	0	0.00	25	9	9	4.01	0	0	0	0.00
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		2,398	2,259	2.56		4,226	3,960	2.52		3,270	3,107	2.83
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		2,398	2,259	2.56		4,226	3,960	2.52		3,270	3,107	2.83

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2021	1,749	638	602	2.06	8	3	3	52.54	8	3	2	56.02
2022	2,991	1,092	1,032	2.42	16	6	5	61.58	50	18	17	58.54
2023	5,243	1,914	1,810	2.49	21	8	7	66.81	96	35	33	63.54
2024	3,480	1,270	1,198	2.53	13	5	4	68.23	62	23	21	64.79
2025	2,265	827	779	2.57	9	3	3	69.67	37	14	12	66.54
2026	1,689	616	581	2.61	7	3	2	71.14	26	10	9	68.19
2027	1,471	537	505	2.68	6	2	2	72.64	24	9	8	69.18
2028	1,223	446	419	2.72	5	2	2	74.18	20	7	6	70.73
2029	1,043	381	358	2.77	4	2	1	75.74	17	6	5	72.28
2030	909	332	311	2.82	4	1	1	77.34	14	5	5	73.85
2031	801	292	274	2.88	3	1	1	78.88	13	5	4	75.37
2032	714	261	244	2.94	3	1	1	80.46	11	4	4	76.90
2033	636	232	218	2.99	3	1	1	82.07	10	4	3	78.44
2034	557	203	191	3.06	2	1	1	83.71	9	3	3	79.67
2035	488	178	168	3.11	2	1	1	85.39	7	3	2	81.12
2036	441	161	152	3.18	2	1	1	87.09	7	2	2	82.74
2037	397	145	137	3.24	2	1	1	88.84	6	2	2	84.41
2038	160	58	55	3.17	1	0	0	90.61	1	0	0	95.46
2039	144	53	50	3.23	1	0	0	92.43	1	0	0	97.37
2040	130	47	45	3.30	1	0	0	94.27	1	0	0	99.32
2041	117	43	40	3.36	1	0	0	96.16	1	0	0	101.31
2042	104	38	36	3.42	1	0	0	98.08	1	0	0	103.35
2043	93	34	32	3.49	1	0	0	100.04	1	0	0	105.42
2044	66	24	23	3.56	0	0	0	102.04	0	0	0	107.52
2045	42	15	14	3.63	0	0	0	104.09	0	0	0	109.67
2046	38	14	13	3.70	0	0	0	106.17	0	0	0	111.87
2047	34	12	12	3.78	0	0	0	108.29	0	0	0	114.11
2048	31	11	11	3.85	0	0	0	110.46	0	0	0	116.39
2049	27	10	9	3.93	0	0	0	112.67	0	0	0	118.71
2050	25	9	9	4.01	0	0	0	114.92	0	0	0	121.09
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		9,894	9,327	2.63		43	37	71.32		154	141	67.82
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		9,894	9,327	2.63		43	37	71.32		154	141	67.82

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2021	19	7	6	20.72	43	16	13	18.87	80	29	28	5.94
2022	45	16	15	28.76	77	28	25	21.34	95	35	33	6.63
2023	73	27	24	33.81	121	44	38	22.43	153	56	53	6.76
2024	45	17	14	34.49	76	28	22	22.86	101	37	35	6.89
2025	30	11	10	35.15	52	19	16	23.36	71	26	25	7.03
2026	23	8	7	35.84	40	15	12	23.85	55	20	19	7.17
2027	19	7	6	36.58	33	12	10	24.30	45	16	16	7.32
2028	16	6	5	37.31	28	10	9	24.79	38	14	13	7.47
2029	14	5	5	38.05	24	9	8	25.29	33	12	11	7.62
2030	12	4	4	38.80	21	8	7	25.80	29	11	10	7.76
2031	11	4	4	39.58	19	7	6	26.32	26	9	9	7.92
2032	9	3	3	40.37	17	6	5	26.85	23	8	8	8.08
2033	8	3	3	41.17	15	5	5	27.38	21	7	7	8.24
2034	7	3	2	42.02	13	5	4	27.92	18	6	6	8.41
2035	6	2	2	42.86	11	4	3	28.47	15	6	5	8.58
2036	6	2	2	43.71	10	4	3	29.04	14	5	5	8.75
2037	5	2	2	44.59	9	3	3	29.63	13	5	4	8.92
2038	3	1	1	45.25	6	2	2	30.45	8	3	3	9.12
2039	3	1	1	46.16	5	2	2	31.06	7	3	2	9.31
2040	2	1	1	47.08	5	2	2	31.68	6	2	2	9.49
2041	2	1	1	48.02	4	2	1	32.32	6	2	2	9.68
2042	2	1	1	48.90	4	1	1	32.97	5	2	2	9.79
2043	2	1	1	49.88	3	1	1	33.63	5	2	2	9.99
2044	1	0	0	50.88	2	1	1	34.30	3	1	1	10.19
2045	0	0	0	51.90	1	0	0	34.99	2	1	1	10.39
2046	0	0	0	52.93	1	0	0	35.69	2	1	1	10.60
2047	0	0	0	53.99	1	0	0	36.40	2	1	1	10.81
2048	0	0	0	55.07	1	0	0	37.13	1	1	0	11.03
2049	0	0	0	56.17	1	0	0	37.87	1	0	0	11.25
2050	0	0	0	57.30	1	0	0	38.63	1	0	0	11.48
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		133	119	35.26		234	200	24.00		320	303	7.26
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		133	119	35.26		234	200	24.00		320	303	7.26

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2021	157	57	52	16.04	157	57	52	16.04	448	164	152	13.64
2022	283	103	95	26.46	755	276	257	46.96	1,253	457	429	34.05
2023	463	169	154	29.57	1,494	545	503	53.31	2,368	864	804	39.15
2024	297	108	96	29.93	1,052	384	347	55.09	1,631	595	547	40.90
2025	200	73	65	29.42	621	227	205	54.51	999	365	335	39.73
2026	152	55	50	29.45	443	162	148	54.66	724	264	245	39.50
2027	127	46	42	30.80	369	135	123	55.96	614	224	208	40.03
2028	107	39	35	31.22	301	110	99	56.60	504	184	169	40.34
2029	92	33	30	31.71	254	93	84	57.46	427	156	144	40.86
2030	80	29	26	32.25	219	80	73	58.42	371	135	125	41.49
2031	71	26	23	32.82	193	70	65	59.46	326	119	110	42.20
2032	63	23	21	33.44	171	63	58	60.57	290	106	98	42.97
2033	57	21	19	34.09	153	56	51	61.73	259	94	88	43.78
2034	48	18	16	34.85	131	48	44	63.01	224	82	76	44.48
2035	42	15	14	35.42	111	41	38	63.86	193	70	66	44.80
2036	38	14	13	36.10	101	37	34	65.11	174	64	60	45.66
2037	34	13	12	36.79	90	33	31	66.36	157	57	54	46.52
2038	19	7	6	32.14	39	14	13	60.32	66	24	22	43.52
2039	17	6	6	32.78	35	13	12	61.52	59	22	20	44.39
2040	16	6	5	33.44	32	12	11	62.76	53	19	18	45.28
2041	14	5	5	34.10	28	10	10	64.01	48	17	16	46.18
2042	13	5	4	34.82	24	9	8	63.42	41	15	14	45.37
2043	11	4	4	35.52	21	8	7	64.69	37	13	13	46.27
2044	7	3	2	34.77	12	4	4	60.06	23	8	8	41.52
2045	4	1	1	31.64	4	1	1	31.64	11	4	4	25.22
2046	3	1	1	32.27	3	1	1	32.27	10	4	3	25.73
2047	3	1	1	32.92	3	1	1	32.92	9	3	3	26.24
2048	3	1	1	33.57	3	1	1	33.57	8	3	3	26.77
2049	2	1	1	34.25	2	1	1	34.25	7	3	2	27.30
2050	2	1	1	34.93	2	1	1	34.93	6	2	2	27.85
2051	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		885	801	29.56		2,490	2,283	54.28		4,139	3,837	38.94
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		885	801	29.56		2,490	2,283	54.28		4,139	3,837	38.94

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty Interest Process.			Royalty Burdens Pre-Processing		Gas Processing Allowance		Total Royalty After Process.	Net Revenue After Royalty	Operating Expenses			
	Working Interest				Royalty Interest	Company Interest	Royalty Interest Process.	Crown	Other	Crown	Other	Royalty	Royalty	Fixed	Variable	Total	
	Oil M\$	Gas M\$	NGL+Sul M\$	Total M\$	Total M\$	Total M\$	Expense M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2021	0	1,315	917	2,232	0	2,232	0	223	0	127	0	96	2,135	27	472	499	
2022	10,151	2,636	2,732	15,519	58	15,577	0	1,059	0	154	0	904	14,673	254	1,436	1,691	
2023	23,354	4,717	4,962	33,034	800	33,834	4	2,616	0	269	0	2,347	31,482	827	2,908	3,736	
2024	16,825	3,146	3,183	23,155	1,202	24,357	9	2,268	0	257	0	2,012	22,336	983	1,776	2,759	
2025	9,699	2,089	2,118	13,906	580	14,486	11	1,374	0	193	0	1,182	13,293	1,009	1,140	2,149	
2026	6,870	1,588	1,613	10,071	370	10,440	10	885	0	144	0	741	9,689	1,029	854	1,882	
2027	5,854	1,420	1,414	8,688	291	8,979	10	754	0	116	0	638	8,331	1,683	762	2,446	
2028	4,795	1,203	1,205	7,203	223	7,427	9	703	0	101	0	602	6,815	1,641	644	2,285	
2029	4,097	1,046	1,051	6,193	184	6,376	9	576	0	88	0	488	5,880	1,674	560	2,233	
2030	3,597	928	935	5,460	156	5,616	8	479	0	78	0	401	5,207	1,707	497	2,205	
2031	3,212	834	843	4,890	136	5,026	8	406	0	69	0	338	4,680	1,742	448	2,189	
2032	2,908	758	767	4,433	121	4,555	8	353	0	56	0	297	4,250	1,776	407	2,184	
2033	2,636	689	698	4,024	109	4,133	7	309	0	44	0	266	3,860	1,812	370	2,182	
2034	2,307	615	611	3,534	99	3,633	7	264	0	37	0	228	3,399	1,735	316	2,051	
2035	1,975	549	540	3,064	85	3,149	6	223	0	31	0	192	2,952	1,612	274	1,886	
2036	1,817	507	498	2,822	78	2,901	6	198	0	27	0	171	2,724	1,644	252	1,896	
2037	1,664	465	457	2,586	72	2,658	5	176	0	24	0	152	2,500	1,677	232	1,908	
2038	630	185	226	1,041	0	1,042	0	74	0	16	0	58	984	423	127	550	
2039	579	170	208	956	0	956	0	67	0	15	0	53	904	431	117	548	
2040	533	156	191	880	0	880	0	62	0	13	0	48	832	440	107	547	
2041	488	143	175	805	0	806	0	56	0	12	0	45	761	449	98	547	
2042	391	129	159	679	0	680	0	49	0	11	0	38	641	402	88	490	
2043	359	119	146	624	0	624	0	45	0	10	0	36	588	411	81	491	
2044	170	86	92	348	0	348	0	27	0	7	0	20	328	228	48	275	
2045	0	56	43	99	0	99	0	10	0	5	0	5	94	44	18	62	
2046	0	51	40	91	0	91	0	9	0	4	0	5	86	45	17	61	
2047	0	47	37	83	0	83	0	8	0	4	0	4	79	46	15	61	
2048	0	43	34	77	0	77	0	7	0	4	0	4	73	47	14	61	
2049	0	39	31	70	0	70	0	7	0	3	0	3	67	47	13	60	
2050	0	36	28	64	0	64	0	6	0	3	0	3	61	48	12	60	
2051	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2052	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2053	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2054	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2055	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2056	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2057	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2058	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2059	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2060	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Sub.	104,912	25,766	25,953	156,632	4,567	161,198	118	13,296	0	1,919	0	11,376	149,704	25,891	14,103	39,994	
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Tot.	104,912	25,766	25,953	156,632	4,567	161,198	118	13,296	0	1,919	0	11,376	149,704	25,891	14,103	39,994	
Disc	60,773	14,743	14,732	90,248	2,627	92,874	51	7,693	0	1,091	0	6,602	86,221	9,377	8,071	17,447	

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow			
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$	
2020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2021	0	0	0	1,636	35	0	1,672	2,727	91	136	2,954	-1,283	-1,283	-1,166	
2022	0	0	0	12,982	36	0	13,018	18,718	6,474	1,943	27,135	-14,117	-15,400	-12,833	
2023	0	0	0	27,747	61	0	27,807	16,468	1,517	3,372	21,357	6,451	-8,949	-7,987	
2024	0	0	0	19,577	40	0	19,617	4,351	159	265	4,775	14,842	5,893	2,151	
2025	0	0	0	11,145	29	0	11,174	0	0	0	0	11,174	17,067	9,089	
2026	0	0	0	7,807	23	-1,713	9,543	0	0	0	0	9,543	26,610	14,475	
2027	0	0	0	5,886	19	218	5,686	0	0	0	0	5,686	32,295	17,393	
2028	0	0	0	4,530	16	223	4,323	0	0	0	0	4,323	36,618	19,410	
2029	0	0	0	3,646	14	227	3,433	0	0	0	0	3,433	40,051	20,866	
2030	0	0	0	3,003	12	232	2,783	0	0	0	0	2,783	42,834	21,939	
2031	0	0	0	2,491	11	-890	3,392	0	0	0	0	3,392	46,226	23,127	
2032	0	0	0	2,066	10	241	1,835	0	0	0	0	1,835	48,060	23,712	
2033	0	0	0	1,678	9	246	1,440	0	0	0	0	1,440	49,501	24,129	
2034	0	0	0	1,348	8	251	1,105	0	0	0	0	1,105	50,605	24,420	
2035	0	0	0	1,066	7	0	1,073	0	0	0	0	1,073	51,678	24,677	
2036	0	0	0	828	6	0	834	0	0	0	0	834	52,512	24,858	
2037	0	0	0	592	6	0	598	0	0	0	0	598	53,110	24,977	
2038	0	0	0	434	3	0	437	0	0	0	0	437	53,547	25,055	
2039	0	0	0	356	3	333	26	0	0	0	0	26	53,573	25,060	
2040	0	0	0	285	3	0	287	0	0	0	0	287	53,860	25,102	
2041	0	0	0	214	2	0	217	0	0	0	0	217	54,077	25,132	
2042	0	0	0	151	2	2,248	-2,095	0	0	0	0	-2,095	51,983	24,874	
2043	0	0	0	97	2	0	99	0	0	0	0	99	52,082	24,885	
2044	0	0	0	52	2	0	54	0	0	0	0	54	52,135	24,891	
2045	0	0	0	32	1	0	33	0	0	0	0	33	52,168	24,894	
2046	0	0	0	25	1	108	-82	0	0	0	0	-82	52,086	24,887	
2047	0	0	0	18	1	0	19	0	0	0	0	19	52,105	24,888	
2048	0	0	0	12	1	410	-397	0	0	0	0	-397	51,707	24,861	
2049	0	0	0	6	1	404	-397	0	0	0	0	-397	51,310	24,836	
2050	0	0	0	1	1	0	2	0	0	0	0	2	51,312	24,836	
2051	0	0	0	0	0	0	0	0	0	0	0	0	51,312	24,836	
2052	0	0	0	0	0	0	0	0	0	0	0	0	51,312	24,836	
2053	0	0	0	0	0	0	0	0	0	0	0	0	51,312	24,836	
2054	0	0	0	0	0	0	0	0	0	0	0	0	51,312	24,836	
2055	0	0	0	0	0	106	-106	0	0	0	0	-106	51,206	24,832	
2056	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
2057	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
2058	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
2059	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
2060	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
2061	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
2062	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
2063	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
2064	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
2065	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
2066	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
2067	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
2068	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
2069	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
Sub.	0	0	0	109,710	361	2,644	107,427	42,263	8,241	5,717	56,221	51,206	51,206	24,832	
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	51,206	24,832	
Tot.	0	0	0	109,710	361	2,644	107,427	42,263	8,241	5,717	56,221	51,206	51,206	24,832	
Disc	0	0	0	68,773	212	-266	69,250	33,293	6,681	4,444	44,418	24,832	24,832	24,832	

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	651	0	652	581	1,000	652	16	24.5	6.8	4.9
Tight Oil	Mbbl	893	60	954	900	1,000	954	23	17.5	12.6	4.9
Total: Total Oil	Mbbl	1,544	61	1,605	1,481	1,000	1,605	39	24.5	9.3	4.9
Solution Gas	MMcf	2,398	0	2,398	2,259	6,000	400	10	24.5	6.5	5.0
Residue Gas	MMcf	4,226	0	4,226	3,960	6,000	704	17	30.5	6.6	5.3
Shale Gas	MMcf	3,178	92	3,270	3,107	6,000	545	13	17.5	8.3	4.9
Total: Gas	MMcf	9,802	92	9,894	9,327	6,000	1,649	40	30.5	15.5	5.0
Gas Heat Content	BBtu	10,422	97	10,519	9,915	0.000	0	0	30.5	15.5	5.0
Condensate	Mbbl	151	3	154	141	1,000	154	4	30.5	55.3	4.9
Field Condensate (NGL)	Mbbl	43	0	43	37	1,000	43	1	30.5	14.8	5.1
Butane	Mbbl	132	1	133	119	1,000	133	3	30.5	19.6	5.0
Propane	Mbbl	234	0	234	200	1,000	234	6	30.5	15.0	5.1
Ethane	Mbbl	320	0	320	303	1,000	320	8	30.5	11.0	5.2
Total: NGL	Mbbl	881	4	885	801	1,000	885	21	30.5	15.5	5.1
Total: Oil+NGL	Mbbl	2,426	65	2,490	2,283	1,000	2,490	60	30.5	43.6	5.0
Total: Oil Eq.	Mboe	4,059	80	4,139	3,837	1,000	4,139	100	30.5	25.3	5.0

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	40,518	27	22,846	26
Tight Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	60,037	40	35,343	41
Total: Total Oil	\$/bbl	0.00	0.00	0.00	0.00	0.00	100,555	67	58,189	67
Solution Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	6,056	4	3,440	4
Residue Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	10,491	7	5,900	7
Shale Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	8,772	6	5,164	6
Total: Gas	\$/Mcf	0.00	0.00	0.00	0.00	0.00	25,319	17	14,504	17
Condensate	\$/bbl	0.00	0.00	0.00	0.00	0.00	9,718	6	5,633	7
Field Condensate (NGL)	\$/bbl	0.00	0.00	0.00	0.00	0.00	2,647	2	1,460	2
Butane	\$/bbl	0.00	0.00	0.00	0.00	0.00	4,251	3	2,374	3
Propane	\$/bbl	0.00	0.00	0.00	0.00	0.00	4,883	3	2,743	3
Ethane	\$/bbl	0.00	0.00	0.00	0.00	0.00	2,332	2	1,317	2
Total: NGL	\$/bbl	0.00	0.00	0.00	0.00	0.00	23,830	16	13,527	16
Total: Oil+NGL	\$/bbl	0.00	0.00	0.00	0.00	0.00	124,385	83	71,716	83
Total: Oil Eq.	\$/boe	0.00	0.00	0.00	0.00	0.00	149,704	100	86,221	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Net Present Value Before Income Tax								
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow		
	Initial	Average					M\$	\$/boe	
Crown Royalty	0.0000	8.4885	0	109,710	107,427	56,221	51,206	12.37	
Non-crown Royalty	0.0000	0.0000	5	85,367	85,295	49,803	35,492	8.57	
Mineral Tax	0.0000	0.0000	8	74,724	75,073	46,463	28,610	6.91	
			10	68,773	69,250	44,418	24,832	6.00	
			12	63,551	64,091	42,506	21,585	5.21	
			15	56,828	57,390	39,860	17,530	4.24	
			20	47,873	48,393	35,968	12,425	3.00	

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:54

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: CGU 2 - Deep Basin/Peace River Arch

Reserve Class: Proved
 Development Class: Total
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl
2020	40	74	737	134	122	43.75	171	31	30	41.63	908	166	151	43.35
2021	27	53	525	192	171	49.87	111	41	39	47.64	637	232	210	49.48
2022	35	63	683	249	224	60.27	296	108	103	58.19	978	357	326	59.64
2023	39	63	799	292	256	65.24	665	243	231	63.24	1,464	534	488	64.33
2024	38	59	508	185	157	66.57	603	220	210	64.51	1,111	405	367	65.45
2025	33	54	356	130	111	67.86	331	121	115	65.89	687	251	226	66.91
2026	32	53	288	105	92	69.26	224	82	78	67.25	512	187	170	68.38
2027	30	51	236	86	77	70.68	162	59	56	68.52	398	145	133	69.80
2028	26	47	196	72	65	72.05	127	46	42	69.91	323	118	107	71.21
2029	24	45	170	62	57	73.47	99	36	33	71.08	269	98	89	72.59
2030	23	39	151	55	50	74.94	84	31	28	72.50	234	86	78	74.07
2031	22	35	129	47	43	76.42	72	26	24	73.95	201	73	68	75.53
2032	20	31	107	39	36	78.02	64	23	22	75.43	171	62	58	77.05
2033	20	28	96	35	33	79.58	56	21	19	76.94	152	56	52	78.61
2034	20	27	83	30	28	81.21	50	18	17	78.48	134	49	46	80.18
2035	17	25	72	26	25	82.86	42	15	14	80.05	115	42	39	81.82
2036	14	24	54	20	18	84.68	38	14	13	81.65	92	34	32	83.43
2037	13	9	45	16	15	86.39	34	12	12	83.28	79	29	27	85.04
2038	6	6	29	11	10	88.06	0	0	0	0.00	29	11	10	88.06
2039	5	5	21	8	7	89.72	0	0	0	0.00	21	8	7	89.72
2040	5	5	17	6	6	91.51	0	0	0	0.00	17	6	6	91.51
2041	5	5	15	5	5	93.34	0	0	0	0.00	15	5	5	93.34
2042	4	4	11	4	4	95.23	0	0	0	0.00	11	4	4	95.23
2043	4	4	10	4	3	97.13	0	0	0	0.00	10	4	3	97.13
2044	2	4	5	2	2	99.08	0	0	0	0.00	5	2	2	99.08
2045	0	4	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2046	0	2	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2047	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2048	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2049	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2050	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2051	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2052	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2053	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2054	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2055	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				1,815	1,618	65.34		1,148	1,085	65.12		2,963	2,703	65.25
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				1,815	1,618	65.34		1,148	1,085	65.12		2,963	2,703	65.25

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	3,117	569	505	1.88	8,216	1,499	1,380	2.05	1,106	202	191	2.14
2021	2,227	813	719	2.06	8,177	2,985	2,757	2.18	643	235	223	2.36
2022	2,794	1,020	923	2.31	8,336	3,043	2,773	2.46	1,584	578	550	2.58
2023	2,963	1,081	984	2.36	10,515	3,838	3,498	2.51	2,579	941	895	2.63
2024	1,984	724	653	2.40	8,599	3,139	2,883	2.56	1,742	636	605	2.69
2025	1,486	542	489	2.44	7,030	2,566	2,368	2.62	1,064	388	369	2.75
2026	1,201	438	395	2.49	6,054	2,210	2,047	2.68	762	278	264	2.81
2027	954	348	318	2.53	5,279	1,927	1,818	2.74	562	205	194	2.91
2028	762	278	256	2.57	4,515	1,648	1,557	2.80	450	164	155	2.96
2029	634	231	214	2.61	3,967	1,448	1,370	2.86	361	132	125	3.00
2030	562	205	190	2.66	3,215	1,173	1,110	2.92	310	113	107	3.05
2031	467	170	158	2.72	2,817	1,028	973	2.97	270	99	94	3.12
2032	360	131	124	2.76	2,287	835	789	3.04	240	87	83	3.18
2033	324	118	111	2.82	1,887	689	651	3.12	213	78	74	3.24
2034	279	102	96	2.87	1,696	619	586	3.20	191	70	66	3.31
2035	240	88	83	2.92	1,441	526	498	3.27	167	61	58	3.37
2036	185	67	64	2.99	1,314	480	454	3.34	150	55	52	3.44
2037	149	55	51	3.02	715	261	247	3.22	135	49	47	3.51
2038	96	35	33	3.13	487	178	168	3.30	0	0	0	0.00
2039	74	27	25	3.25	375	137	130	3.39	0	0	0	0.00
2040	63	23	22	3.31	332	121	115	3.48	0	0	0	0.00
2041	54	20	19	3.38	304	111	105	3.55	0	0	0	0.00
2042	46	17	16	3.42	267	97	92	3.62	0	0	0	0.00
2043	42	15	14	3.49	240	88	83	3.71	0	0	0	0.00
2044	19	7	7	3.56	221	81	76	3.79	0	0	0	0.00
2045	0	0	0	0.00	168	61	58	3.93	0	0	0	0.00
2046	0	0	0	0.00	115	42	40	3.70	0	0	0	0.00
2047	0	0	0	0.00	70	25	24	3.78	0	0	0	0.00
2048	0	0	0	0.00	65	24	22	3.85	0	0	0	0.00
2049	0	0	0	0.00	48	17	16	3.93	0	0	0	0.00
2050	0	0	0	0.00	44	16	15	4.01	0	0	0	0.00
2051	0	0	0	0.00	18	7	6	4.09	0	0	0	0.00
2052	0	0	0	0.00	15	6	5	4.17	0	0	0	0.00
2053	0	0	0	0.00	12	5	4	4.25	0	0	0	0.00
2054	0	0	0	0.00	10	4	3	4.34	0	0	0	0.00
2055	0	0	0	0.00	10	3	3	4.42	0	0	0	0.00
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		7,126	6,469	2.40		30,935	28,724	2.66		4,371	4,153	2.74
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		7,126	6,469	2.40		30,935	28,724	2.66		4,371	4,153	2.74

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	12,438	2,270	2,076	2.01	37	7	6	46.58	133	24	18	45.04
2021	11,047	4,032	3,699	2.17	37	13	11	52.65	100	36	27	51.67
2022	12,714	4,640	4,246	2.44	43	16	13	61.66	136	50	39	60.09
2023	16,057	5,861	5,378	2.50	44	16	13	66.87	184	67	54	65.10
2024	12,324	4,498	4,142	2.55	32	12	9	68.28	135	49	38	66.65
2025	9,580	3,497	3,225	2.61	25	9	7	69.73	97	35	27	68.51
2026	8,017	2,926	2,706	2.66	21	8	6	71.20	78	29	21	70.18
2027	6,795	2,480	2,330	2.72	18	7	6	72.69	65	24	21	71.77
2028	5,726	2,090	1,968	2.78	15	5	5	74.21	55	20	18	73.35
2029	4,963	1,811	1,709	2.84	13	5	4	75.76	48	17	16	74.93
2030	4,087	1,492	1,407	2.89	11	4	4	77.36	41	15	14	76.36
2031	3,554	1,297	1,225	2.95	10	4	3	78.90	35	13	12	77.95
2032	2,887	1,054	996	3.02	8	3	3	80.45	30	11	10	79.32
2033	2,424	885	836	3.09	7	2	2	82.06	26	9	9	80.74
2034	2,166	791	748	3.16	6	2	2	83.70	23	9	8	82.22
2035	1,847	674	638	3.23	5	2	2	85.37	20	7	7	83.75
2036	1,649	602	570	3.31	5	2	2	87.06	18	7	6	85.38
2037	999	365	345	3.23	4	1	1	88.80	11	4	4	86.86
2038	583	213	201	3.27	3	1	1	90.58	4	2	1	92.67
2039	449	164	155	3.37	2	1	1	92.39	3	1	1	94.46
2040	395	144	136	3.45	2	1	1	94.24	3	1	1	96.19
2041	358	131	124	3.52	2	1	1	96.13	3	1	1	97.98
2042	313	114	108	3.59	2	1	1	98.06	2	1	1	100.16
2043	282	103	97	3.68	1	1	0	100.04	2	1	1	102.02
2044	241	88	83	3.77	1	0	0	102.04	2	1	1	103.52
2045	168	61	58	3.93	1	0	0	104.09	1	0	0	104.34
2046	115	42	40	3.70	1	0	0	106.17	1	0	0	111.87
2047	70	25	24	3.78	0	0	0	108.29	0	0	0	114.10
2048	65	24	22	3.85	0	0	0	110.46	0	0	0	116.39
2049	48	17	16	3.93	0	0	0	112.67	0	0	0	118.71
2050	44	16	15	4.01	0	0	0	114.92	0	0	0	121.09
2051	18	7	6	4.09	0	0	0	117.22	0	0	0	123.51
2052	15	6	5	4.17	0	0	0	119.56	0	0	0	125.98
2053	12	5	4	4.25	0	0	0	121.96	0	0	0	128.50
2054	10	4	3	4.34	0	0	0	124.39	0	0	0	131.07
2055	10	3	3	4.42	0	0	0	126.88	0	0	0	133.70
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		42,431	39,345	2.63		122	102	68.90		435	356	67.49
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		42,431	39,345	2.63		122	102	68.90		435	356	67.49

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	136	25	19	13.41	256	47	33	16.23	397	72	67	5.43
2021	120	44	34	20.04	240	88	65	17.64	389	142	132	5.92
2022	140	51	40	28.90	260	95	73	21.23	380	139	129	6.61
2023	160	59	47	34.57	287	105	82	22.37	401	146	137	6.75
2024	118	43	33	35.76	213	78	58	22.78	306	112	105	6.89
2025	90	33	25	36.68	166	60	45	23.33	243	89	83	7.01
2026	74	27	21	37.46	138	50	38	23.79	204	74	70	7.15
2027	62	23	21	38.14	116	42	37	24.27	172	63	59	7.32
2028	52	19	17	38.83	96	35	31	24.74	142	52	49	7.45
2029	45	16	15	39.58	82	30	27	25.22	122	44	42	7.62
2030	38	14	13	40.35	70	26	23	25.71	103	37	35	7.78
2031	33	12	11	41.07	61	22	20	26.25	91	33	31	7.92
2032	27	10	9	41.78	50	18	16	26.74	73	27	25	8.16
2033	23	9	8	42.62	42	15	13	27.26	60	22	21	8.26
2034	21	8	7	43.57	36	13	12	27.78	52	19	18	8.43
2035	18	7	6	44.45	32	12	10	28.33	45	17	16	8.60
2036	16	6	5	45.22	28	10	9	28.86	40	15	14	8.82
2037	11	4	4	45.31	20	7	7	29.63	32	12	11	8.96
2038	7	3	2	45.86	15	6	5	30.30	24	9	8	9.11
2039	6	2	2	46.68	12	4	4	30.87	18	7	6	9.31
2040	5	2	2	47.64	10	4	3	31.47	16	6	6	9.47
2041	5	2	2	48.63	9	3	3	32.09	14	5	5	9.66
2042	4	1	1	49.59	8	3	3	32.81	12	5	4	9.80
2043	4	1	1	50.62	7	3	2	33.46	11	4	4	9.99
2044	3	1	1	51.81	6	2	2	34.09	9	3	3	10.19
2045	2	1	1	53.40	3	1	1	34.64	6	2	2	10.40
2046	1	0	0	52.93	3	1	1	35.69	5	2	2	10.60
2047	1	0	0	53.99	2	1	1	36.40	3	1	1	10.81
2048	1	0	0	55.07	2	1	0	37.13	3	1	1	11.03
2049	1	0	0	56.17	1	0	0	37.87	2	1	1	11.25
2050	0	0	0	57.30	1	0	0	38.63	2	1	1	11.48
2051	0	0	0	58.44	0	0	0	39.40	1	0	0	11.71
2052	0	0	0	59.61	0	0	0	40.19	1	0	0	11.94
2053	0	0	0	60.80	0	0	0	40.99	1	0	0	12.18
2054	0	0	0	62.02	0	0	0	41.81	0	0	0	12.42
2055	0	0	0	63.26	0	0	0	42.65	0	0	0	12.67
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		422	348	33.95		784	624	23.00		1,161	1,089	7.06
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		422	348	33.95		784	624	23.00		1,161	1,089	7.06

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	959	175	143	16.53	1,867	341	294	29.58	3,940	719	640	20.37
2021	886	323	268	18.10	1,522	556	478	31.22	3,364	1,228	1,094	21.26
2022	959	350	294	23.89	1,937	707	620	41.95	4,056	1,480	1,328	27.67
2023	1,077	393	333	27.50	2,541	928	821	48.72	5,217	1,904	1,717	31.43
2024	803	293	244	27.78	1,914	698	610	49.65	3,968	1,448	1,301	31.87
2025	620	226	188	27.80	1,307	477	414	48.36	2,904	1,060	951	30.36
2026	516	188	156	28.16	1,027	375	327	48.20	2,364	863	778	29.98
2027	433	158	144	28.66	832	304	277	48.37	1,964	717	665	29.90
2028	360	132	120	29.44	683	249	227	49.19	1,638	598	555	30.24
2029	309	113	104	30.16	578	211	193	49.88	1,405	513	478	30.53
2030	263	96	88	30.87	497	181	166	51.24	1,178	430	401	31.65
2031	230	84	77	31.18	431	157	145	51.90	1,023	373	349	32.10
2032	187	68	63	32.29	358	131	121	53.61	839	306	287	33.26
2033	158	57	53	33.42	310	113	105	55.64	714	261	244	34.65
2034	138	50	47	34.37	272	99	92	56.88	633	231	217	35.26
2035	120	44	40	35.01	235	86	80	57.87	543	198	186	36.03
2036	106	39	36	35.88	198	72	67	57.97	473	173	162	35.83
2037	77	28	26	34.12	156	57	53	59.87	322	118	111	38.97
2038	53	19	18	31.45	82	30	28	51.30	180	66	61	34.13
2039	42	15	14	32.21	62	23	21	51.27	137	50	47	34.33
2040	36	13	12	33.07	54	20	18	51.71	119	44	41	34.61
2041	33	12	11	33.79	47	17	16	52.11	107	39	37	34.85
2042	29	10	10	34.49	40	15	13	51.65	92	34	31	34.60
2043	26	9	9	35.34	36	13	12	52.83	83	30	28	35.36
2044	21	7	7	35.64	25	9	8	47.47	65	24	22	32.22
2045	13	5	4	36.82	13	5	4	36.82	41	15	14	27.72
2046	10	4	3	32.27	10	4	3	32.27	30	11	10	25.73
2047	6	2	2	32.92	6	2	2	32.92	18	7	6	26.24
2048	6	2	2	33.57	6	2	2	33.57	17	6	6	26.77
2049	4	2	1	34.25	4	2	1	34.25	12	4	4	27.30
2050	4	1	1	34.93	4	1	1	34.93	11	4	4	27.85
2051	2	1	1	35.63	2	1	1	35.63	5	2	2	28.41
2052	1	0	0	36.34	1	0	0	36.34	4	1	1	28.97
2053	1	0	0	37.07	1	0	0	37.07	3	1	1	29.55
2054	1	0	0	37.81	1	0	0	37.81	3	1	1	30.14
2055	1	0	0	38.57	1	0	0	38.57	2	1	1	30.75
2056	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		2,923	2,520	26.79		5,886	5,222	46.15		12,958	11,780	29.56
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		2,923	2,520	26.79		5,886	5,222	46.15		12,958	11,780	29.56

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Total	Total	Process.	Crown	Other	Crown	Other	After	After			
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	7,071	4,234	2,743	14,049	597	14,646	265	1,694	230	579	35	1,310	13,072	4,149	3,268	7,417
2021	11,321	8,279	5,626	25,226	871	26,097	326	3,102	408	985	49	2,477	23,294	5,746	5,295	11,041
2022	21,106	10,876	8,131	40,113	856	40,968	284	4,433	413	1,125	44	3,677	37,007	6,515	6,476	12,991
2023	33,558	14,260	10,571	58,389	1,472	59,860	248	6,325	363	1,365	35	5,289	54,323	7,644	8,711	16,355
2024	25,380	11,133	7,929	44,442	1,711	46,153	188	5,264	280	1,160	27	4,357	41,608	7,506	6,646	14,151
2025	16,202	8,864	6,139	31,205	976	32,181	143	3,788	234	944	20	3,058	28,979	6,677	4,963	11,641
2026	12,402	7,577	5,171	25,150	718	25,868	130	2,918	205	796	18	2,310	23,428	6,559	4,195	10,754
2027	9,873	6,567	4,419	20,859	577	21,436	119	1,701	169	393	15	1,461	19,856	6,160	3,571	9,730
2028	8,185	5,659	3,777	17,621	454	18,075	103	1,486	104	338	11	1,241	16,731	5,665	3,083	8,748
2029	6,945	5,003	3,322	15,270	391	15,661	94	1,230	84	291	9	1,013	14,554	5,397	2,705	8,102
2030	6,192	4,203	2,885	13,280	330	13,610	84	1,028	75	244	8	849	12,676	5,110	2,282	7,392
2031	5,425	3,725	2,547	11,696	291	11,987	78	874	54	214	4	710	11,199	4,865	2,004	6,869
2032	4,685	3,105	2,160	9,951	237	10,188	62	732	23	175	2	578	9,548	4,343	1,655	5,998
2033	4,272	2,670	1,880	8,821	208	9,030	53	632	21	142	2	510	8,467	4,179	1,433	5,612
2034	3,819	2,442	1,697	7,958	187	8,145	47	556	20	125	2	449	7,649	4,085	1,299	5,384
2035	3,345	2,123	1,500	6,968	167	7,135	44	478	18	107	2	387	6,705	3,832	1,120	4,953
2036	2,734	1,949	1,359	6,042	146	6,188	39	412	10	96	1	325	5,824	3,527	974	4,501
2037	2,382	1,146	937	4,466	121	4,587	29	310	9	65	1	253	4,305	2,775	603	3,378
2038	926	675	599	2,200	36	2,236	18	159	8	47	1	119	2,100	1,080	342	1,422
2039	674	533	476	1,683	33	1,717	17	123	0	37	0	85	1,615	812	255	1,067
2040	570	480	428	1,478	31	1,508	15	109	0	33	0	75	1,418	749	226	975
2041	495	447	396	1,338	23	1,361	11	99	0	31	0	68	1,281	733	207	940
2042	391	402	355	1,148	14	1,162	7	87	0	28	0	59	1,096	665	181	846
2043	359	378	331	1,067	1	1,068	0	81	0	26	0	56	1,012	675	169	844
2044	170	331	267	768	1	769	0	61	0	22	0	39	729	493	132	625
2045	0	240	171	411	0	411	0	35	0	16	0	20	392	244	82	327
2046	0	156	122	277	0	277	0	26	0	13	0	13	264	166	51	217
2047	0	96	75	171	0	171	0	17	0	8	0	8	163	96	32	127
2048	0	91	71	161	0	161	0	16	0	8	0	8	153	98	30	127
2049	0	69	53	122	0	122	0	12	0	6	0	6	116	76	22	99
2050	0	64	50	114	0	114	0	11	0	5	0	6	109	78	21	99
2051	0	27	21	48	0	48	0	5	0	2	0	2	45	30	9	39
2052	0	23	18	41	0	41	0	4	0	2	0	2	39	27	8	34
2053	0	19	15	35	0	35	0	3	0	2	0	2	33	23	6	30
2054	0	16	13	29	0	29	0	3	0	1	0	1	27	20	5	26
2055	0	15	12	27	0	27	0	3	0	1	0	1	26	21	5	26
2056	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2057	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2058	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2059	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2060	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2062	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2063	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2064	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	188,482	107,877	76,266	372,625	10,449	383,074	2,405	37,815	2,728	9,433	285	30,825	349,844	100,819	62,066	162,885
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	188,482	107,877	76,266	372,625	10,449	383,074	2,405	37,815	2,728	9,433	285	30,825	349,844	100,819	62,066	162,885
Disc	116,503	63,897	45,022	225,422	6,573	231,995	1,559	24,216	1,909	6,122	206	19,798	210,638	51,858	38,014	89,872

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	5,655	915	816	5,754	0	0	25	25	5,729	5,729	5,595
2021	0	0	0	12,254	1,221	824	12,650	2,731	91	284	3,105	9,545	15,274	14,272
2022	0	0	0	24,015	1,143	841	24,318	19,110	6,500	2,200	27,810	-3,492	11,782	11,386
2023	0	0	0	37,968	1,105	857	38,216	16,468	1,517	3,372	21,357	16,859	28,641	24,052
2024	0	0	0	27,457	850	875	27,433	4,351	186	265	4,802	22,631	51,272	39,509
2025	0	0	0	17,339	649	5,708	12,279	0	0	0	0	12,279	63,551	47,134
2026	0	0	0	12,674	551	914	12,311	0	0	0	0	12,311	75,863	54,083
2027	0	0	0	10,126	445	1,192	9,379	0	0	0	0	9,379	85,242	58,896
2028	0	0	0	7,983	373	1,903	6,453	0	0	0	0	6,453	91,695	61,907
2029	0	0	0	6,452	318	2,232	4,538	0	0	0	0	4,538	96,233	63,831
2030	0	0	0	5,284	255	1,390	4,149	0	0	0	0	4,149	100,382	65,431
2031	0	0	0	4,330	209	1,491	3,049	0	0	0	0	3,049	103,431	66,499
2032	0	0	0	3,550	171	2,262	1,459	0	0	0	0	1,459	104,890	66,964
2033	0	0	0	2,855	150	1,645	1,360	0	0	0	0	1,360	106,250	67,358
2034	0	0	0	2,266	131	1,928	469	0	0	0	0	469	106,719	67,482
2035	0	0	0	1,752	117	901	968	0	0	0	0	968	107,687	67,713
2036	0	0	0	1,323	90	1,053	360	0	0	0	0	360	108,047	67,792
2037	0	0	0	927	76	550	453	0	0	0	0	453	108,500	67,881
2038	0	0	0	678	40	137	581	0	0	0	0	581	109,081	67,986
2039	0	0	0	548	25	828	-256	0	0	0	0	-256	108,825	67,944
2040	0	0	0	443	20	652	-189	0	0	0	0	-189	108,636	67,916
2041	0	0	0	341	18	3,123	-2,764	0	0	0	0	-2,764	105,872	67,543
2042	0	0	0	250	15	2,954	-2,689	0	0	0	0	-2,689	103,183	67,212
2043	0	0	0	168	13	2,046	-1,865	0	0	0	0	-1,865	101,318	67,004
2044	0	0	0	105	11	165	-50	0	0	0	0	-50	101,268	66,999
2045	0	0	0	65	7	66	6	0	0	0	0	6	101,274	66,999
2046	0	0	0	47	7	658	-604	0	0	0	0	-604	100,670	66,949
2047	0	0	0	36	5	7	33	0	0	0	0	33	100,703	66,951
2048	0	0	0	26	5	420	-389	0	0	0	0	-389	100,314	66,924
2049	0	0	0	17	3	555	-534	0	0	0	0	-534	99,780	66,891
2050	0	0	0	10	3	448	-436	0	0	0	0	-436	99,344	66,866
2051	0	0	0	6	2	157	-149	0	0	0	0	-149	99,196	66,858
2052	0	0	0	5	2	0	6	0	0	0	0	6	99,202	66,858
2053	0	0	0	3	1	50	-46	0	0	0	0	-46	99,156	66,856
2054	0	0	0	2	1	0	2	0	0	0	0	2	99,158	66,856
2055	0	0	0	0	1	106	-105	0	0	0	0	-105	99,053	66,853
2056	0	0	0	0	0	8	-8	0	0	0	0	-8	99,045	66,852
2057	0	0	0	0	0	9	-9	0	0	0	0	-9	99,036	66,852
2058	0	0	0	0	0	8	-8	0	0	0	0	-8	99,028	66,852
2059	0	0	0	0	0	0	0	0	0	0	0	0	99,028	66,852
2060	0	0	0	0	0	2,839	-2,839	0	0	0	0	-2,839	96,189	66,789
2061	0	0	0	0	0	0	0	0	0	0	0	0	96,189	66,789
2062	0	0	0	0	0	0	0	0	0	0	0	0	96,189	66,789
2063	0	0	0	0	0	0	0	0	0	0	0	0	96,189	66,789
2064	0	0	0	0	0	0	0	0	0	0	0	0	96,189	66,789
2065	0	0	0	0	0	0	0	0	0	0	0	0	96,189	66,789
2066	0	0	0	0	0	0	0	0	0	0	0	0	96,189	66,789
2067	0	0	0	0	0	0	0	0	0	0	0	0	96,189	66,789
2068	0	0	0	0	0	0	0	0	0	0	0	0	96,189	66,789
2069	0	0	0	0	0	6,532	-6,532	0	0	0	0	-6,532	89,657	66,728
Sub.	0	0	0	186,959	8,947	49,150	146,755	42,658	8,294	6,147	57,099	89,657	89,657	66,728
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	89,657	66,728
Tot.	0	0	0	186,959	8,947	49,150	146,755	42,658	8,294	6,147	57,099	89,657	89,657	66,728
Disc	0	0	0	120,766	6,001	14,883	111,884	33,619	6,721	4,816	45,156	66,728	66,728	66,728

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	1,807	8	1,815	1,618	1,000	1,815	14	24.5	6.7	4.2
Tight Oil	Mbbl	1,082	66	1,148	1,085	1,000	1,148	9	17.5	18.4	4.7
Total: Total Oil	Mbbl	2,889	74	2,963	2,703	1,000	2,963	23	24.5	8.9	4.5
Solution Gas	MMcf	7,112	14	7,126	6,469	6,000	1,188	9	24.5	6.3	4.1
Residue Gas	MMcf	29,695	1,239	30,935	28,724	6,000	5,156	40	35.5	10.3	5.4
Shale Gas	MMcf	4,232	139	4,371	4,153	6,000	729	6	17.5	10.8	4.4
Total: Gas	MMcf	41,039	1,392	42,431	39,345	6,000	7,072	55	35.5	9.3	5.0
Gas Heat Content	BBtu	44,126	1,464	45,590	42,262	0.000	0	0	35.5	9.3	5.0
Condensate	Mbbl	422	13	435	356	1,000	435	3	35.5	9.0	4.8
Field Condensate (NGL)	Mbbl	118	4	122	102	1,000	122	1	35.5	9.0	4.8
Butane	Mbbl	412	10	422	348	1,000	422	3	35.5	8.5	4.8
Propane	Mbbl	766	18	784	624	1,000	784	6	35.5	8.4	4.7
Ethane	Mbbl	1,126	35	1,161	1,089	1,000	1,161	9	35.5	8.0	4.7
Total: NGL	Mbbl	2,845	79	2,923	2,520	1,000	2,923	23	35.5	8.4	4.8
Total: Oil+NGL	Mbbl	5,733	153	5,886	5,222	1,000	5,886	45	35.5	8.6	4.6
Total: Oil Eq.	Mboe	12,573	385	12,958	11,780	1,000	12,958	100	35.5	9.0	4.8

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	43.75	4.18	22.90	0.00	16.68	105,825	30	65,280	31
Tight Oil	\$/bbl	41.63	1.93	10.07	0.00	29.63	70,568	20	43,438	21
Total: Total Oil	\$/bbl	43.35	3.75	20.48	0.00	19.12	176,393	50	108,718	52
Solution Gas	\$/Mcf	1.88	0.08	1.13	0.00	0.67	16,293	5	10,435	5
Residue Gas	\$/Mcf	2.05	0.09	2.01	0.00	-0.05	79,879	23	46,280	22
Shale Gas	\$/Mcf	2.14	0.09	1.56	0.00	0.49	11,359	3	7,203	3
Total: Gas	\$/Mcf	2.01	0.09	1.75	0.00	0.18	107,531	31	63,917	30
Condensate	\$/bbl	45.04	12.31	0.00	0.00	32.73	24,719	7	14,287	7
Field Condensate (NGL)	\$/bbl	46.58	8.90	7.29	0.00	30.40	7,009	2	4,020	2
Butane	\$/bbl	13.41	5.64	0.00	0.00	7.77	11,816	3	6,569	3
Propane	\$/bbl	16.23	5.72	0.00	0.00	10.51	14,268	4	8,225	4
Ethane	\$/bbl	5.43	-0.09	0.00	0.00	5.52	8,108	2	4,903	2
Total: NGL	\$/bbl	16.53	4.34	0.28	0.00	11.91	65,920	19	38,003	18
Total: Oil+NGL	\$/bbl	29.58	4.05	10.11	0.00	15.42	242,313	69	146,721	70
Total: Oil Eq.	\$/boe	20.37	2.19	10.25	0.00	7.93	349,844	100	210,638	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**Net Present Value Before Income Tax**

	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	12.0591	10.1482	0	186,959	146,755	57,099	89,657	6.92
Non-crown Royalty	1.6353	0.7322	5	147,511	131,047	50,606	80,441	6.21
Mineral Tax	0.0000	0.0000	8	130,343	119,201	47,225	71,975	5.55
			10	120,766	111,884	45,156	66,728	5.15
			12	112,374	105,159	43,220	61,940	4.78
			15	101,582	96,161	40,540	55,620	4.29
			20	87,227	83,694	36,599	47,095	3.63

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:54

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: CGU 2 - Deep Basin/Peace River Arch

Reserve Class: Probable
 Development Class: Total
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl
2020	1	2	80	15	14	43.72	11	2	2	41.64	92	17	15	43.47
2021	3	3	167	61	56	49.86	23	8	8	48.28	190	69	64	49.67
2022	5	3	534	195	174	60.40	54	20	19	58.29	588	215	193	60.20
2023	11	4	646	236	200	65.35	309	113	106	63.19	955	349	306	64.65
2024	15	5	575	210	171	66.78	596	217	206	64.41	1,170	427	377	65.57
2025	19	5	432	158	123	68.16	748	273	258	65.69	1,181	431	381	66.59
2026	14	3	305	111	86	69.43	558	204	191	67.01	863	315	277	67.87
2027	16	5	260	95	76	70.77	378	138	125	68.42	638	233	201	69.38
2028	19	8	231	84	69	72.25	297	108	96	69.79	527	193	165	70.87
2029	20	9	197	72	60	73.76	250	91	81	71.29	447	163	141	72.38
2030	18	10	178	65	55	75.23	208	76	67	72.64	386	141	122	73.83
2031	17	12	163	60	51	76.72	174	64	56	73.95	337	123	107	75.29
2032	18	12	153	56	49	78.15	156	57	50	75.43	309	113	98	76.78
2033	15	13	134	49	43	79.67	140	51	45	76.94	274	100	88	78.27
2034	15	9	127	46	41	81.23	128	47	41	78.48	255	93	82	79.85
2035	17	8	114	42	37	82.95	121	44	39	80.05	235	86	76	81.46
2036	19	6	118	43	39	84.52	112	41	36	81.65	230	84	75	83.12
2037	20	19	111	41	37	86.22	104	38	34	83.28	215	78	71	84.81
2038	26	21	111	41	37	87.95	127	46	42	84.95	238	87	79	86.35
2039	26	21	101	37	33	89.96	117	43	37	86.65	218	79	70	88.18
2040	24	21	90	33	30	91.81	108	39	33	88.38	198	72	63	89.95
2041	22	6	75	28	25	93.80	99	36	31	90.15	174	64	56	91.73
2042	20	5	68	25	22	95.68	91	33	29	91.95	159	58	51	93.55
2043	15	1	41	15	13	97.44	84	31	26	93.79	124	45	40	94.99
2044	15	0	35	13	12	99.27	74	27	23	95.67	109	40	35	96.83
2045	14	1	25	9	8	101.05	68	25	22	97.58	93	34	30	98.52
2046	13	3	21	8	7	103.05	62	23	20	99.53	83	30	27	100.42
2047	12	4	18	7	6	105.11	57	21	18	101.52	76	28	25	102.39
2048	6	4	17	6	6	107.22	0	0	0	0.00	17	6	6	107.22
2049	5	4	14	5	5	109.37	0	0	0	0.00	14	5	5	109.37
2050	4	2	11	4	4	111.56	0	0	0	0.00	11	4	4	111.56
2051	2	2	5	2	2	113.77	0	0	0	0.00	5	2	2	113.77
2052	0	1	0	0	0	114.74	0	0	0	0.00	0	0	0	114.74
2053	0	1	0	0	0	117.02	0	0	0	0.00	0	0	0	117.02
2054	0	1	0	0	0	119.37	0	0	0	0.00	0	0	0	119.37
2055	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				1,868	1,590	72.49		1,916	1,741	72.92		3,784	3,330	72.71
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				1,868	1,590	72.49		1,916	1,741	72.92		3,784	3,330	72.71

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	149	27	25	1.93	729	133	126	1.90	65	12	11	2.12
2021	563	205	191	2.06	1,359	496	470	2.07	200	73	67	2.04
2022	1,586	579	540	2.18	1,208	441	415	2.33	352	128	121	2.46
2023	1,790	653	598	2.33	1,392	508	466	2.41	1,683	614	582	2.63
2024	2,035	743	669	2.40	1,527	557	511	2.48	2,602	950	903	2.71
2025	1,563	570	506	2.46	1,778	649	599	2.57	2,099	766	727	2.76
2026	1,303	476	421	2.50	1,458	532	490	2.63	1,539	562	533	2.82
2027	1,213	443	394	2.55	1,455	531	500	2.68	1,143	417	395	2.86
2028	1,172	428	379	2.60	1,533	559	524	2.74	933	340	322	2.91
2029	1,056	385	341	2.65	1,458	532	498	2.79	801	293	275	2.98
2030	985	360	318	2.70	1,532	559	525	2.85	668	244	229	3.07
2031	955	349	308	2.75	1,460	533	502	2.93	572	209	196	3.12
2032	882	322	286	2.80	1,435	524	494	3.00	517	189	176	3.18
2033	739	270	241	2.87	1,314	480	452	3.04	466	170	159	3.24
2034	688	251	225	2.93	1,135	414	390	3.07	428	156	147	3.31
2035	604	220	199	2.98	949	347	326	3.15	401	147	138	3.37
2036	591	216	196	3.03	778	284	266	3.21	373	136	129	3.44
2037	556	203	184	3.09	1,084	396	372	3.47	345	126	119	3.51
2038	529	193	176	3.14	1,175	429	404	3.51	442	161	153	3.58
2039	484	177	160	3.18	1,115	407	384	3.56	407	148	140	3.65
2040	427	156	141	3.24	1,062	388	366	3.64	375	137	129	3.72
2041	364	133	120	3.29	567	207	195	3.48	344	126	119	3.80
2042	327	119	107	3.36	487	178	168	3.56	317	116	109	3.87
2043	173	63	57	3.46	157	57	54	3.58	291	106	100	3.95
2044	129	47	43	3.54	136	50	47	3.66	263	96	91	4.03
2045	98	36	33	3.71	163	60	56	3.71	240	88	83	4.11
2046	81	29	28	3.78	194	71	67	4.02	221	81	76	4.19
2047	71	26	25	3.86	218	79	75	4.06	203	74	70	4.28
2048	66	24	23	3.94	195	71	67	4.14	0	0	0	0.00
2049	60	22	21	4.00	190	69	65	4.21	0	0	0	0.00
2050	46	17	16	4.10	130	47	45	4.01	0	0	0	0.00
2051	21	8	7	4.29	139	51	48	4.09	0	0	0	0.00
2052	0	0	0	4.28	107	39	37	4.17	0	0	0	0.00
2053	0	0	0	4.37	65	24	22	4.25	0	0	0	0.00
2054	0	0	0	4.45	62	23	21	4.34	0	0	0	0.00
2055	0	0	0	0.00	53	19	18	4.42	0	0	0	0.00
2056	0	0	0	0.00	58	21	20	4.51	0	0	0	0.00
2057	0	0	0	0.00	48	17	16	4.60	0	0	0	0.00
2058	0	0	0	0.00	45	16	15	4.70	0	0	0	0.00
2059	0	0	0	0.00	18	7	6	4.79	0	0	0	0.00
2060	0	0	0	0.00	15	6	5	4.89	0	0	0	0.00
2061	0	0	0	0.00	13	5	4	4.98	0	0	0	0.00
2062	0	0	0	0.00	11	4	4	5.08	0	0	0	0.00
2063	0	0	0	0.00	10	4	3	5.18	0	0	0	0.00
2064	0	0	0	0.00	10	4	3	5.29	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		7,749	6,981	2.67		10,826	10,144	2.96		6,664	6,301	3.04
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		7,749	6,981	2.67		10,826	10,144	2.96		6,664	6,301	3.04

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	943	172	162	1.92	3	1	0	46.49	7	1	1	46.05
2021	2,122	774	728	2.06	10	4	3	52.57	19	7	6	52.84
2022	3,146	1,148	1,077	2.27	11	4	3	61.62	46	17	15	61.03
2023	4,865	1,776	1,647	2.46	11	4	3	66.94	91	33	30	64.17
2024	6,164	2,250	2,083	2.55	11	4	3	68.52	121	44	40	64.66
2025	5,440	1,986	1,833	2.61	10	4	3	69.93	99	36	31	65.94
2026	4,300	1,570	1,445	2.66	9	3	2	71.43	73	27	23	67.54
2027	3,811	1,391	1,289	2.69	9	3	3	72.95	58	21	19	69.44
2028	3,637	1,328	1,225	2.74	9	3	3	74.51	51	18	16	71.23
2029	3,315	1,210	1,114	2.79	9	3	3	76.07	44	16	14	72.91
2030	3,185	1,163	1,072	2.85	8	3	2	77.69	40	15	13	74.67
2031	2,986	1,090	1,006	2.91	8	3	2	79.24	38	14	12	76.28
2032	2,833	1,034	956	2.97	7	3	2	80.82	35	13	11	77.91
2033	2,519	920	853	3.03	7	2	2	82.39	31	11	10	79.43
2034	2,252	822	762	3.07	6	2	2	84.03	28	10	9	81.08
2035	1,955	713	664	3.14	5	2	2	85.70	26	9	8	82.55
2036	1,742	636	591	3.20	5	2	1	87.43	24	9	8	84.09
2037	1,985	725	676	3.37	4	2	1	89.16	27	10	9	85.96
2038	2,146	783	733	3.43	5	2	1	90.88	30	11	10	87.22
2039	2,006	732	685	3.49	4	2	1	92.69	28	10	9	88.94
2040	1,864	680	636	3.56	4	1	1	94.52	26	9	8	90.61
2041	1,275	465	433	3.51	3	1	1	96.45	18	6	5	91.51
2042	1,130	412	384	3.59	3	1	1	98.40	16	6	5	93.23
2043	621	227	212	3.72	2	1	1	100.26	12	4	4	93.45
2044	528	193	181	3.82	1	1	0	102.09	11	4	3	95.31
2045	501	183	173	3.90	2	1	1	104.07	10	3	3	97.29
2046	496	181	171	4.06	2	1	0	106.13	10	3	3	99.50
2047	492	180	170	4.12	2	1	0	108.27	9	3	3	101.70
2048	261	95	90	4.09	1	1	0	110.43	2	1	1	112.81
2049	249	91	86	4.16	1	0	0	112.66	2	1	1	115.02
2050	175	64	60	4.03	1	0	0	114.92	1	0	0	121.03
2051	160	58	55	4.12	1	0	0	117.22	1	0	0	123.43
2052	107	39	37	4.17	0	0	0	119.56	0	0	0	125.98
2053	65	24	22	4.25	0	0	0	121.95	0	0	0	128.50
2054	62	23	21	4.34	0	0	0	124.39	0	0	0	131.07
2055	53	19	18	4.42	0	0	0	126.88	0	0	0	133.69
2056	58	21	20	4.51	0	0	0	129.42	0	0	0	136.37
2057	48	17	16	4.60	0	0	0	132.01	0	0	0	139.09
2058	45	16	15	4.70	0	0	0	134.65	0	0	0	141.87
2059	18	7	6	4.79	0	0	0	137.34	0	0	0	144.71
2060	15	6	5	4.89	0	0	0	140.08	0	0	0	147.60
2061	13	5	4	4.98	0	0	0	142.89	0	0	0	150.56
2062	11	4	4	5.08	0	0	0	145.74	0	0	0	153.57
2063	10	4	3	5.18	0	0	0	148.66	0	0	0	156.64
2064	10	4	3	5.29	0	0	0	151.63	0	0	0	159.78
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		25,240	23,426	2.89		63	53	78.51		376	331	73.99
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		25,240	23,426	2.89		63	53	78.51		376	331	73.99

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	9	2	2	15.09	19	3	3	18.01	32	6	6	5.75
2021	27	10	9	20.95	52	19	17	18.52	76	28	26	5.99
2022	44	16	14	30.03	70	26	21	21.41	83	30	29	6.63
2023	63	23	20	34.48	100	36	30	22.39	120	44	41	6.63
2024	74	27	23	35.90	116	42	34	22.78	142	52	48	6.58
2025	62	23	18	36.64	99	36	27	23.04	130	48	44	7.20
2026	49	18	15	37.77	81	29	22	23.73	109	40	37	7.24
2027	44	16	14	38.71	76	28	23	24.27	105	38	35	7.27
2028	42	15	13	39.64	75	28	23	24.78	105	38	35	7.40
2029	38	14	12	40.42	70	25	21	25.28	97	36	33	7.49
2030	35	13	11	41.34	64	23	19	25.79	89	33	30	7.58
2031	33	12	10	42.22	60	22	18	26.30	82	30	27	7.61
2032	30	11	10	43.05	55	20	17	26.82	76	28	25	7.76
2033	27	10	9	43.60	51	19	15	27.36	71	26	24	7.95
2034	25	9	8	44.36	46	17	14	27.93	65	24	22	8.11
2035	22	8	7	45.14	40	15	12	28.46	56	20	19	8.31
2036	20	7	7	46.15	37	13	11	29.04	51	18	17	8.42
2037	21	8	7	47.38	37	14	11	29.48	48	17	16	8.59
2038	22	8	7	48.16	36	13	11	30.04	48	17	16	8.85
2039	20	7	7	49.17	34	12	10	30.64	45	16	15	9.02
2040	19	7	6	50.19	31	11	9	31.24	41	15	14	9.22
2041	13	5	4	51.13	22	8	7	32.01	31	11	11	9.29
2042	11	4	4	52.24	19	7	6	32.60	27	10	9	9.34
2043	7	2	2	52.51	10	4	3	33.00	14	5	5	9.81
2044	6	2	2	52.70	8	3	3	33.59	11	4	4	10.37
2045	6	2	2	52.86	9	3	3	34.35	12	4	4	10.63
2046	6	2	2	54.12	8	3	3	34.89	11	4	4	10.90
2047	5	2	2	55.14	8	3	3	35.66	11	4	4	11.07
2048	4	1	1	56.10	7	3	2	36.93	10	4	4	11.30
2049	4	1	1	57.19	7	3	2	37.67	10	4	3	11.48
2050	3	1	1	57.61	5	2	2	38.61	8	3	3	11.74
2051	2	1	1	58.84	4	2	1	39.37	7	3	3	12.00
2052	1	0	0	59.61	3	1	1	40.19	5	2	2	11.94
2053	1	0	0	60.80	2	1	0	40.99	3	1	1	12.18
2054	1	0	0	62.02	2	1	0	41.81	3	1	1	12.42
2055	1	0	0	63.26	1	0	0	42.65	2	1	1	12.67
2056	1	0	0	64.53	1	1	0	43.50	3	1	1	12.92
2057	1	0	0	65.82	1	0	0	44.37	2	1	1	13.18
2058	0	0	0	67.13	1	0	0	45.26	2	1	1	13.45
2059	0	0	0	68.48	0	0	0	46.16	1	0	0	13.71
2060	0	0	0	69.85	0	0	0	47.09	1	0	0	13.99
2061	0	0	0	71.24	0	0	0	48.03	1	0	0	14.27
2062	0	0	0	72.67	0	0	0	48.99	0	0	0	14.55
2063	0	0	0	74.12	0	0	0	49.97	0	0	0	14.85
2064	0	0	0	75.60	0	0	0	50.97	0	0	0	15.14
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		289	251	40.37		497	408	25.90		669	618	7.75
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		289	251	40.37		497	408	25.90		669	618	7.75

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	70	13	12	16.03	162	30	27	31.55	319	58	54	21.69
2021	183	67	61	19.07	373	136	125	34.63	727	265	246	23.80
2022	254	93	82	26.91	842	307	275	50.15	1,367	499	455	36.13
2023	385	141	123	30.60	1,340	489	430	54.87	2,151	785	704	39.74
2024	465	170	147	31.95	1,635	597	524	56.01	2,663	972	871	40.30
2025	401	146	124	31.80	1,581	577	505	57.78	2,488	908	810	42.44
2026	320	117	99	31.57	1,183	432	376	58.04	1,900	693	616	42.16
2027	292	107	93	30.83	930	339	294	57.27	1,565	571	508	40.58
2028	282	103	90	30.45	810	296	255	56.78	1,416	517	460	39.51
2029	258	94	83	30.70	705	257	223	57.12	1,258	459	409	39.39
2030	235	86	75	31.20	621	227	197	57.67	1,152	420	376	38.97
2031	220	80	71	32.05	558	204	177	58.21	1,056	385	345	38.99
2032	204	75	65	32.79	513	187	164	59.29	986	360	323	39.43
2033	187	68	60	32.93	462	169	148	59.88	882	322	290	40.01
2034	170	62	55	33.45	425	155	137	61.33	800	292	264	41.20
2035	148	54	48	34.72	384	140	124	63.38	709	259	235	42.94
2036	136	50	44	35.48	366	134	119	65.42	656	239	218	44.97
2037	138	50	45	38.03	353	129	116	66.53	684	250	228	44.13
2038	141	51	46	39.95	379	138	125	69.10	737	269	247	45.56
2039	131	48	43	40.61	349	127	113	70.29	683	249	227	46.14
2040	120	44	39	41.52	318	116	102	71.69	629	229	208	46.83
2041	87	32	28	41.22	261	95	83	74.88	474	173	156	50.76
2042	77	28	24	42.70	235	86	75	77.01	424	155	139	52.35
2043	44	16	14	47.64	169	62	54	82.53	272	99	89	59.64
2044	38	14	12	49.90	147	54	47	84.82	235	86	77	61.62
2045	38	14	12	48.42	131	48	42	84.02	214	78	71	60.42
2046	36	13	12	50.88	119	43	39	85.60	202	74	67	60.50
2047	36	13	12	50.32	112	41	36	85.72	194	71	64	59.88
2048	25	9	8	40.08	42	15	14	67.20	86	31	29	45.50
2049	24	9	8	40.79	38	14	13	66.31	79	29	27	44.71
2050	19	7	6	38.41	29	11	10	65.29	59	21	20	44.76
2051	15	6	5	37.34	20	7	7	55.54	47	17	16	38.02
2052	10	4	3	36.34	10	4	3	36.41	28	10	9	29.00
2053	6	2	2	37.07	6	2	2	37.19	17	6	6	29.60
2054	6	2	2	37.81	6	2	2	37.93	16	6	5	30.19
2055	5	2	2	38.57	5	2	2	38.57	14	5	5	30.75
2056	5	2	2	39.34	5	2	2	39.34	15	5	5	31.36
2057	4	2	1	40.12	4	2	1	40.12	12	4	4	31.99
2058	4	1	1	40.93	4	1	1	40.93	11	4	4	32.63
2059	2	1	1	41.75	2	1	1	41.75	5	2	2	33.28
2060	1	1	0	42.58	1	1	0	42.58	4	1	1	33.95
2061	1	0	0	43.43	1	0	0	43.43	3	1	1	34.63
2062	1	0	0	44.30	1	0	0	44.30	3	1	1	35.32
2063	1	0	0	45.19	1	0	0	45.19	3	1	1	36.03
2064	1	0	0	46.09	1	0	0	46.09	3	1	1	36.75
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		1,895	1,662	33.01		5,679	4,992	59.46		9,885	8,896	41.54
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		1,895	1,662	33.01		5,679	4,992	59.46		9,885	8,896	41.54

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Total	Total	Process.	Crown	Other	Crown	Other	After	After			
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	719	322	202	1,243	19	1,263	6	90	10	22	1	76	1,180	42	213	255
2021	3,414	1,519	1,243	6,175	137	6,312	66	494	39	119	4	410	5,835	316	1,080	1,395
2022	12,881	2,511	2,455	17,847	176	18,023	70	1,807	59	216	5	1,646	16,307	532	2,849	3,382
2023	22,396	4,269	4,248	30,913	290	31,203	70	3,385	370	336	20	3,398	27,735	1,014	3,913	4,927
2024	27,510	5,588	5,344	38,443	726	39,169	88	4,089	534	392	30	4,201	34,879	1,594	4,155	5,749
2025	27,399	4,985	4,517	36,901	1,638	38,540	115	4,269	387	426	32	4,198	34,227	2,354	3,803	6,158
2026	20,273	4,064	3,615	27,952	1,283	29,235	29	3,405	300	365	26	3,314	25,893	1,719	2,763	4,482
2027	15,470	3,656	3,230	22,356	830	23,186	29	2,793	273	280	26	2,759	20,398	2,236	2,444	4,680
2028	13,117	3,546	3,083	19,745	675	20,420	35	2,431	293	255	28	2,441	17,945	2,741	2,275	5,015
2029	11,384	3,299	2,845	17,527	557	18,084	34	2,069	278	231	28	2,088	15,963	2,812	2,083	4,895
2030	10,014	3,240	2,636	15,891	494	16,385	30	1,814	260	214	27	1,832	14,523	2,791	2,000	4,791
2031	8,947	3,105	2,535	14,588	434	15,022	29	1,632	244	197	29	1,650	13,342	2,738	1,891	4,629
2032	8,378	3,001	2,396	13,774	407	14,182	36	1,516	211	178	26	1,524	12,622	2,882	1,840	4,722
2033	7,581	2,719	2,207	12,507	369	12,876	39	1,359	168	139	22	1,365	11,472	2,719	1,617	4,337
2034	7,203	2,463	2,028	11,694	340	12,034	38	1,231	153	121	21	1,242	10,754	2,711	1,505	4,215
2035	6,769	2,194	1,847	10,810	307	11,117	26	1,105	109	106	15	1,093	9,997	2,637	1,346	3,983
2036	6,762	1,994	1,735	10,491	279	10,770	23	1,025	109	98	14	1,022	9,725	2,916	1,281	4,198
2037	6,456	2,398	1,887	10,741	274	11,015	27	986	102	109	13	967	10,021	3,560	1,436	4,997
2038	7,262	2,637	2,024	11,922	333	12,256	34	1,062	95	114	12	1,030	11,191	5,210	1,551	6,761
2039	6,771	2,505	1,913	11,189	313	11,502	32	1,139	97	109	12	1,115	10,356	5,234	1,464	6,698
2040	6,284	2,379	1,789	10,452	292	10,745	28	1,138	93	104	12	1,115	9,601	5,211	1,370	6,580
2041	5,626	1,601	1,287	8,514	263	8,777	24	971	88	75	11	974	7,779	4,287	997	5,284
2042	5,231	1,449	1,170	7,849	248	8,098	23	884	83	67	10	891	7,184	4,194	912	5,106
2043	4,131	810	747	5,688	240	5,928	23	676	39	32	3	679	5,227	3,031	486	3,518
2044	3,701	704	662	5,068	219	5,287	18	596	22	29	1	588	4,680	2,859	417	3,276
2045	3,190	685	649	4,525	204	4,729	17	524	5	29	0	500	4,212	2,774	345	3,118
2046	2,911	710	643	4,264	187	4,451	13	489	0	29	0	460	3,978	2,820	344	3,164
2047	2,700	723	643	4,066	166	4,232	8	463	0	31	0	431	3,793	2,911	338	3,249
2048	665	381	362	1,408	15	1,423	7	129	0	29	0	100	1,316	861	199	1,060
2049	563	378	354	1,295	1	1,297	0	123	0	29	0	94	1,203	834	191	1,026
2050	437	258	259	955	1	956	0	95	0	23	0	72	884	635	134	768
2051	200	241	211	652	0	652	0	66	0	21	0	44	608	430	100	530
2052	0	163	127	291	0	291	0	31	0	15	0	16	275	160	54	213
2053	0	100	78	179	0	179	0	20	0	10	0	10	169	86	33	119
2054	0	98	77	175	0	175	0	19	0	9	0	10	166	92	32	124
2055	0	86	67	153	0	153	0	17	0	8	0	9	145	83	28	111
2056	0	95	74	170	0	170	0	18	0	9	0	9	160	103	31	134
2057	0	80	62	143	0	143	0	15	0	7	0	8	135	90	26	116
2058	0	76	60	136	0	136	0	14	0	7	0	7	128	91	25	116
2059	0	32	25	56	0	56	0	6	0	3	0	3	53	35	10	46
2060	0	27	21	49	0	49	0	5	0	3	0	3	46	31	9	40
2061	0	23	18	41	0	41	0	5	0	2	0	2	39	27	8	35
2062	0	20	15	35	0	35	0	4	0	2	0	2	33	24	6	30
2063	0	19	15	34	0	34	0	4	0	2	0	2	32	24	6	31
2064	0	19	15	34	0	34	0	4	0	2	0	2	32	25	6	31
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	266,348	71,175	61,421	398,943	11,722	410,666	1,018	44,013	4,423	4,603	431	43,403	366,244	80,476	47,618	128,094
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	266,348	71,175	61,421	398,943	11,722	410,666	1,018	44,013	4,423	4,603	431	43,403	366,244	80,476	47,618	128,094
Disc	121,987	29,356	26,050	177,392	4,896	182,289	471	19,616	2,029	2,103	177	19,365	162,452	20,301	21,413	41,714

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	925	38	0	963	3,280	125	335	3,740	-2,777	-2,777	-2,712
2021	0	0	0	4,440	192	0	4,632	1,828	152	101	2,081	2,552	-225	-392
2022	0	0	0	12,926	890	0	13,816	7,555	1,123	1,533	10,211	3,605	3,380	2,587
2023	0	0	0	22,808	620	0	23,427	16,576	2,485	7,123	26,184	-2,757	623	516
2024	0	0	0	29,129	690	0	29,819	14,145	648	1,582	16,375	13,444	14,068	9,699
2025	0	0	0	28,069	633	-196	28,898	5,268	239	271	5,778	23,120	37,188	24,055
2026	0	0	0	21,411	504	-4	21,918	0	0	0	0	21,918	59,106	36,427
2027	0	0	0	15,718	498	-206	16,422	0	0	0	0	16,422	75,528	44,854
2028	0	0	0	12,930	486	-289	13,704	0	0	0	0	13,704	89,232	51,247
2029	0	0	0	11,068	454	-498	12,020	0	0	0	0	12,020	101,252	56,345
2030	0	0	0	9,732	422	913	9,240	0	0	0	0	9,240	110,492	59,907
2031	0	0	0	8,713	414	-412	9,540	0	0	0	0	9,540	120,032	63,251
2032	0	0	0	7,900	394	-971	9,264	0	0	0	0	9,264	129,296	66,203
2033	0	0	0	7,135	332	-216	7,683	0	0	0	0	7,683	136,980	68,429
2034	0	0	0	6,539	289	162	6,667	0	0	0	0	6,667	143,647	70,184
2035	0	0	0	6,014	257	-330	6,601	0	0	0	0	6,601	150,247	71,764
2036	0	0	0	5,527	251	-290	6,068	0	0	0	0	6,068	156,315	73,085
2037	0	0	0	5,024	233	456	4,801	0	0	0	0	4,801	161,117	74,035
2038	0	0	0	4,430	239	688	3,981	0	0	0	0	3,981	165,097	74,751
2039	0	0	0	3,658	230	-27	3,915	0	0	0	0	3,915	169,013	75,391
2040	0	0	0	3,021	197	-316	3,534	0	0	0	0	3,534	172,547	75,916
2041	0	0	0	2,495	180	-2,625	5,300	0	0	0	0	5,300	177,847	76,633
2042	0	0	0	2,078	155	-2,692	4,926	0	0	0	0	4,926	182,773	77,238
2043	0	0	0	1,709	81	-1,333	3,123	0	0	0	0	3,123	185,895	77,586
2044	0	0	0	1,404	44	258	1,190	0	0	0	0	1,190	187,085	77,707
2045	0	0	0	1,094	17	3,522	-2,411	0	0	0	0	-2,411	184,674	77,485
2046	0	0	0	814	12	78	749	0	0	0	0	749	185,423	77,547
2047	0	0	0	544	11	1,871	-1,316	0	0	0	0	-1,316	184,108	77,447
2048	0	0	0	257	10	19	247	0	0	0	0	247	184,355	77,464
2049	0	0	0	177	10	1,847	-1,660	0	0	0	0	-1,660	182,695	77,360
2050	0	0	0	116	8	-231	354	0	0	0	0	354	183,050	77,380
2051	0	0	0	77	6	-77	160	0	0	0	0	160	183,210	77,388
2052	0	0	0	62	5	3,133	-3,066	0	0	0	0	-3,066	180,144	77,243
2053	0	0	0	50	5	82	-27	0	0	0	0	-27	180,117	77,242
2054	0	0	0	42	5	755	-708	0	0	0	0	-708	179,408	77,214
2055	0	0	0	34	4	467	-430	0	0	0	0	-430	178,979	77,199
2056	0	0	0	26	4	1,187	-1,157	0	0	0	0	-1,157	177,821	77,161
2057	0	0	0	19	3	165	-143	0	0	0	0	-143	177,678	77,157
2058	0	0	0	12	3	-8	23	0	0	0	0	23	177,701	77,158
2059	0	0	0	7	2	23	-14	0	0	0	0	-14	177,687	77,158
2060	0	0	0	6	2	-2,834	2,841	0	0	0	0	2,841	180,529	77,220
2061	0	0	0	4	1	33	-27	0	0	0	0	-27	180,501	77,220
2062	0	0	0	3	1	0	4	0	0	0	0	4	180,505	77,220
2063	0	0	0	2	1	124	-122	0	0	0	0	-122	180,383	77,218
2064	0	0	0	1	1	10	-9	0	0	0	0	-9	180,374	77,218
2065	0	0	0	0	0	10	-10	0	0	0	0	-10	180,364	77,218
2066	0	0	0	0	0	9	-9	0	0	0	0	-9	180,355	77,217
2067	0	0	0	0	0	0	0	0	0	0	0	0	180,355	77,217
2068	0	0	0	0	0	0	0	0	0	0	0	0	180,355	77,217
2069	0	0	0	0	0	3,393	-3,393	0	0	0	0	-3,393	176,962	77,186
Sub.	0	0	0	238,150	8,831	5,651	241,330	48,653	4,772	10,943	64,368	176,962	176,962	77,186
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	176,962	77,186
Tot.	0	0	0	238,150	8,831	5,651	241,330	48,653	4,772	10,943	64,368	176,962	176,962	77,186
Disc	0	0	0	120,738	4,177	-696	125,612	36,495	3,646	8,285	48,426	77,186	77,186	77,186

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	1,865	4	1,868	1,590	1.000	1,868	19	34.5	63.7	6.5
Tight Oil	Mbbl	1,800	116	1,916	1,741	1.000	1,916	19	27.5	467.9	7.9
Total: Total Oil	Mbbl	3,665	119	3,784	3,330	1.000	3,784	38	34.5	113.3	7.3
Solution Gas	MMcf	7,742	7	7,749	6,981	6.000	1,292	13	34.5	142.0	8.4
Residue Gas	MMcf	10,405	421	10,826	10,144	6.000	1,804	18	44.5	40.7	10.8
Shale Gas	MMcf	6,470	194	6,664	6,301	6.000	1,111	11	27.5	282.9	7.5
Total: Gas	MMcf	24,618	622	25,240	23,426	6.000	4,207	43	44.5	73.4	9.2
Gas Heat Content	BBtu	26,329	649	26,978	25,034	0.000	0	0	44.5	73.4	9.2
Condensate	Mbbl	366	10	376	331	1.000	376	4	44.5	145.1	8.1
Field Condensate (NGL)	Mbbl	62	1	63	53	1.000	63	1	44.5	58.0	9.6
Butane	Mbbl	286	4	289	251	1.000	289	3	44.5	86.6	8.7
Propane	Mbbl	493	5	497	408	1.000	497	5	44.5	72.9	9.0
Ethane	Mbbl	660	9	669	618	1.000	669	7	44.5	56.6	9.3
Total: NGL	Mbbl	1,867	28	1,895	1,662	1.000	1,895	19	44.5	73.8	8.9
Total: Oil+NGL	Mbbl	5,532	147	5,679	4,992	1.000	5,679	57	44.5	96.1	7.8
Total: Oil Eq.	Mboe	9,635	251	9,885	8,896	1.000	9,885	100	44.5	84.9	8.4

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	43.72	3.39	5.15	0.00	35.18	115,470	32	55,704	34
Tight Oil	\$/bbl	41.64	1.91	5.72	0.00	34.01	126,417	35	54,779	34
Total: Total Oil	\$/bbl	43.47	3.21	5.22	0.00	35.04	241,887	66	110,483	68
Solution Gas	\$/Mcf	1.93	0.07	1.43	0.00	0.42	19,609	5	8,809	5
Residue Gas	\$/Mcf	1.90	0.07	0.88	0.00	0.96	30,750	8	11,489	7
Shale Gas	\$/Mcf	2.12	0.09	0.72	0.00	1.32	19,154	5	8,448	5
Total: Gas	\$/Mcf	1.92	0.07	0.95	0.00	0.90	69,513	19	28,746	18
Condensate	\$/bbl	46.05	4.76	0.00	0.00	41.28	24,810	7	10,753	7
Field Condensate (NGL)	\$/bbl	46.49	4.29	7.12	0.00	35.08	4,137	1	1,639	1
Butane	\$/bbl	15.09	1.62	0.00	0.00	13.47	10,260	3	4,273	3
Propane	\$/bbl	18.01	1.47	0.00	0.00	16.54	10,615	3	4,460	3
Ethane	\$/bbl	5.75	0.07	0.00	0.00	5.68	5,022	1	2,099	1
Total: NGL	\$/bbl	16.03	1.30	0.30	0.00	14.43	54,844	15	23,223	14
Total: Oil+NGL	\$/bbl	31.55	2.38	3.08	0.00	26.08	296,731	81	133,706	82
Total: Oil Eq.	\$/boe	21.69	1.41	4.32	0.00	15.96	366,244	100	162,452	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**Net Present Value Before Income Tax**

	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	7.1984	11.0325	0	238,150	241,330	64,368	176,962	17.90
Non-crown Royalty	0.7899	1.1088	5	163,656	169,676	55,555	114,121	11.54
Mineral Tax	0.0000	0.0000	8	135,424	140,815	51,103	89,712	9.08
			10	120,738	125,612	48,426	77,186	7.81
			12	108,480	112,862	45,955	66,907	6.77
			15	93,535	97,277	42,593	54,684	5.53
			20	75,040	77,978	37,769	40,208	4.07

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:58

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: CGU 2 - Deep Basin/Peace River Arch

Reserve Class: Proved Plus Probable
 Development Class: Producing
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl	Daily bbl/d	Yearly Mbbbl	Mbbbl	\$/bbl
2020	40	74	771	141	127	43.76	169	31	29	41.64	940	172	157	43.38
2021	27	52	576	210	187	49.89	114	42	40	47.77	690	252	227	49.54
2022	27	52	460	168	144	60.30	79	29	27	58.19	539	197	171	59.99
2023	27	52	386	141	120	65.41	60	22	20	63.29	447	163	140	65.12
2024	26	49	335	122	105	66.70	45	17	14	64.38	381	139	120	66.42
2025	26	47	292	106	92	68.01	38	14	11	65.67	329	120	103	67.74
2026	20	43	217	79	68	69.27	32	12	9	66.98	249	91	78	68.97
2027	20	43	193	71	61	70.65	28	10	8	68.33	222	81	70	70.35
2028	19	42	172	63	55	72.12	25	9	7	69.69	197	72	62	71.81
2029	18	41	147	54	47	73.63	23	8	7	71.08	169	62	54	73.29
2030	16	36	134	49	43	75.10	0	0	0	0.00	134	49	43	75.10
2031	15	36	120	44	39	76.58	0	0	0	0.00	120	44	39	76.58
2032	14	33	105	38	34	78.05	0	0	0	0.00	105	38	34	78.05
2033	12	32	93	34	31	79.57	0	0	0	0.00	93	34	31	79.57
2034	12	27	86	31	28	81.16	0	0	0	0.00	86	31	28	81.16
2035	11	25	73	27	24	82.94	0	0	0	0.00	73	27	24	82.94
2036	11	24	68	25	23	84.60	0	0	0	0.00	68	25	23	84.60
2037	10	23	61	22	20	86.30	0	0	0	0.00	61	22	20	86.30
2038	9	22	53	20	18	87.97	0	0	0	0.00	53	20	18	87.97
2039	8	20	46	17	15	90.12	0	0	0	0.00	46	17	15	90.12
2040	8	20	42	16	14	91.92	0	0	0	0.00	42	16	14	91.92
2041	8	7	38	14	13	93.78	0	0	0	0.00	38	14	13	93.78
2042	6	6	32	12	11	95.70	0	0	0	0.00	32	12	11	95.70
2043	3	5	12	4	4	97.41	0	0	0	0.00	12	4	4	97.41
2044	2	4	10	4	3	99.38	0	0	0	0.00	10	4	3	99.38
2045	1	4	2	1	1	100.96	0	0	0	0.00	2	1	1	100.96
2046	1	4	2	1	1	102.97	0	0	0	0.00	2	1	1	102.97
2047	0	4	1	0	0	104.97	0	0	0	0.00	1	0	0	104.97
2048	0	4	1	0	0	107.08	0	0	0	0.00	1	0	0	107.08
2049	0	4	1	0	0	109.22	0	0	0	0.00	1	0	0	109.22
2050	0	2	1	0	0	111.40	0	0	0	0.00	1	0	0	111.40
2051	0	2	1	0	0	113.63	0	0	0	0.00	1	0	0	113.63
2052	0	1	0	0	0	114.74	0	0	0	0.00	0	0	0	114.74
2053	0	0	0	0	0	117.02	0	0	0	0.00	0	0	0	117.02
2054	0	0	0	0	0	119.37	0	0	0	0.00	0	0	0	119.37
2055	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				1,514	1,331	66.11		193	173	57.12		1,707	1,504	65.09
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				1,514	1,331	66.11		193	173	57.12		1,707	1,504	65.09

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	3,229	589	523	1.88	8,283	1,512	1,391	2.05	1,140	208	197	2.14
2021	2,422	884	782	2.05	6,491	2,369	2,181	2.22	797	291	275	2.28
2022	1,963	716	631	2.31	5,904	2,155	1,983	2.47	568	207	196	2.52
2023	1,651	603	529	2.37	5,370	1,960	1,804	2.52	441	161	152	2.57
2024	1,424	520	456	2.41	4,770	1,741	1,604	2.57	300	110	104	2.71
2025	1,169	427	375	2.46	4,271	1,559	1,436	2.63	252	92	86	2.77
2026	979	357	314	2.50	3,686	1,345	1,239	2.69	218	79	74	2.82
2027	861	314	280	2.54	3,433	1,253	1,187	2.74	191	70	65	2.88
2028	774	282	252	2.59	3,149	1,149	1,088	2.80	171	63	58	2.94
2029	645	235	209	2.63	2,875	1,050	993	2.86	154	56	52	3.00
2030	588	214	191	2.67	2,473	903	854	2.93	6	2	2	2.98
2031	533	194	173	2.73	2,277	831	787	2.99	6	2	2	3.04
2032	408	149	135	2.77	2,028	740	701	3.06	6	2	2	3.10
2033	338	123	113	2.82	1,822	665	630	3.13	2	1	1	3.16
2034	310	113	103	2.87	1,570	573	543	3.19	2	1	1	3.22
2035	247	90	84	2.91	1,379	503	477	3.28	2	1	1	3.29
2036	229	84	78	2.96	1,228	448	425	3.36	2	1	1	3.35
2037	207	76	70	3.01	1,075	392	372	3.46	2	1	1	3.42
2038	168	61	57	3.05	993	362	344	3.54	2	1	1	3.49
2039	152	56	52	3.10	873	319	302	3.62	1	1	1	3.56
2040	143	52	49	3.16	819	299	283	3.71	1	0	0	3.63
2041	129	47	44	3.20	470	171	162	3.50	1	0	0	3.70
2042	109	40	37	3.25	395	144	136	3.59	1	0	0	3.78
2043	35	13	12	3.45	300	109	104	3.71	1	0	0	3.85
2044	31	11	10	3.53	267	98	92	3.80	1	0	0	3.93
2045	12	4	4	4.07	248	90	86	3.89	0	0	0	0.00
2046	11	4	4	4.18	233	85	80	3.97	0	0	0	0.00
2047	7	2	2	4.47	217	79	75	4.06	0	0	0	0.00
2048	6	2	2	4.57	195	71	67	4.14	0	0	0	0.00
2049	6	2	2	4.66	177	65	61	4.23	0	0	0	0.00
2050	6	2	2	4.76	118	43	41	4.01	0	0	0	0.00
2051	6	2	2	4.85	106	39	36	4.09	0	0	0	0.00
2052	0	0	0	4.28	75	27	26	4.17	0	0	0	0.00
2053	0	0	0	4.37	34	12	12	4.25	0	0	0	0.00
2054	0	0	0	4.45	32	12	11	4.34	0	0	0	0.00
2055	0	0	0	0.00	30	11	10	4.42	0	0	0	0.00
2056	0	0	0	0.00	27	10	9	4.51	0	0	0	0.00
2057	0	0	0	0.00	20	7	7	4.60	0	0	0	0.00
2058	0	0	0	0.00	19	7	6	4.70	0	0	0	0.00
2059	0	0	0	0.00	18	7	6	4.79	0	0	0	0.00
2060	0	0	0	0.00	15	6	5	4.89	0	0	0	0.00
2061	0	0	0	0.00	13	5	4	4.98	0	0	0	0.00
2062	0	0	0	0.00	11	4	4	5.08	0	0	0	0.00
2063	0	0	0	0.00	10	4	3	5.18	0	0	0	0.00
2064	0	0	0	0.00	10	4	3	5.29	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		6,271	5,578	2.43		23,239	21,671	2.76		1,350	1,271	2.53
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		6,271	5,578	2.43		23,239	21,671	2.76		1,350	1,271	2.53

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	12,652	2,309	2,111	2.01	38	7	6	46.59	137	25	19	45.00
2021	9,710	3,544	3,238	2.18	29	11	8	52.68	102	37	27	51.19
2022	8,434	3,079	2,809	2.43	26	10	7	61.72	84	31	22	60.43
2023	7,462	2,724	2,484	2.49	24	9	6	66.94	73	27	18	65.77
2024	6,494	2,370	2,163	2.54	21	8	6	68.36	61	22	15	67.24
2025	5,692	2,078	1,897	2.60	18	7	5	69.79	54	20	13	68.69
2026	4,883	1,782	1,627	2.66	16	6	4	71.26	45	16	11	70.31
2027	4,485	1,637	1,531	2.71	15	5	5	72.76	41	15	13	71.82
2028	4,094	1,494	1,398	2.77	13	5	4	74.30	38	14	12	73.34
2029	3,675	1,341	1,254	2.82	12	4	4	75.85	34	13	11	74.88
2030	3,067	1,120	1,047	2.88	10	4	3	77.45	27	10	9	77.32
2031	2,816	1,028	962	2.94	9	3	3	79.00	25	9	8	78.83
2032	2,441	891	837	3.02	8	3	3	80.54	22	8	7	80.30
2033	2,162	789	743	3.08	7	2	2	82.12	20	7	7	81.85
2034	1,882	687	647	3.14	6	2	2	83.76	17	6	6	83.53
2035	1,627	594	562	3.22	5	2	2	85.40	16	6	5	85.05
2036	1,459	533	504	3.30	4	2	1	87.12	14	5	5	86.71
2037	1,283	468	443	3.39	4	1	1	88.86	13	5	4	88.27
2038	1,163	425	401	3.47	3	1	1	90.60	12	4	4	89.97
2039	1,027	375	354	3.54	3	1	1	92.41	11	4	4	91.71
2040	963	352	332	3.62	3	1	1	94.26	10	4	4	93.49
2041	600	219	207	3.44	2	1	1	96.16	5	2	2	97.05
2042	506	185	174	3.52	2	1	1	98.09	5	2	1	98.73
2043	336	123	116	3.69	1	0	0	99.97	3	1	1	100.63
2044	299	109	103	3.78	1	0	0	101.96	3	1	1	102.43
2045	260	95	90	3.90	1	0	0	104.00	2	1	1	104.68
2046	243	89	84	3.98	1	0	0	106.09	2	1	1	106.69
2047	224	82	77	4.07	1	0	0	108.24	2	1	1	108.64
2048	201	73	69	4.15	1	0	0	110.40	2	1	0	111.17
2049	184	67	63	4.25	1	0	0	112.66	1	1	0	113.23
2050	124	45	43	4.04	1	0	0	114.91	1	0	0	120.97
2051	111	41	38	4.13	0	0	0	117.22	0	0	0	123.38
2052	75	27	26	4.17	0	0	0	119.56	0	0	0	125.98
2053	34	12	12	4.25	0	0	0	121.95	0	0	0	128.50
2054	32	12	11	4.34	0	0	0	124.39	0	0	0	131.07
2055	30	11	10	4.42	0	0	0	126.88	0	0	0	133.69
2056	27	10	9	4.51	0	0	0	129.42	0	0	0	136.36
2057	20	7	7	4.60	0	0	0	132.01	0	0	0	139.09
2058	19	7	6	4.70	0	0	0	134.65	0	0	0	141.88
2059	18	7	6	4.79	0	0	0	137.34	0	0	0	144.71
2060	15	6	5	4.89	0	0	0	140.08	0	0	0	147.60
2061	13	5	4	4.98	0	0	0	142.89	0	0	0	150.56
2062	11	4	4	5.08	0	0	0	145.74	0	0	0	153.57
2063	10	4	3	5.18	0	0	0	148.66	0	0	0	156.64
2064	10	4	3	5.29	0	0	0	151.63	0	0	0	159.78
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		30,860	28,519	2.68		97	79	70.57		297	234	68.63
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		30,860	28,519	2.68		97	79	70.57		297	234	68.63

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	138	25	19	13.43	260	47	34	16.21	402	73	68	5.43
2021	107	39	29	19.95	203	74	53	17.34	315	115	107	5.84
2022	93	34	25	28.71	179	65	46	21.17	280	102	95	6.49
2023	82	30	22	34.66	160	58	41	22.30	251	92	85	6.64
2024	72	26	19	36.26	140	51	36	22.74	221	81	75	6.76
2025	63	23	16	36.88	122	45	32	23.18	192	70	66	6.91
2026	53	19	14	37.87	104	38	27	23.79	166	61	57	7.05
2027	49	18	16	38.58	96	35	31	24.28	153	56	52	7.18
2028	44	16	15	39.34	87	32	28	24.75	139	51	47	7.33
2029	40	14	13	40.02	77	28	25	25.23	123	45	42	7.49
2030	34	12	11	40.95	67	24	21	25.75	106	39	36	7.64
2031	31	11	10	41.77	61	22	20	26.25	96	35	33	7.80
2032	26	10	9	42.47	51	19	16	26.74	80	29	28	8.04
2033	23	8	8	43.16	44	16	14	27.27	69	25	24	8.18
2034	20	7	7	44.01	39	14	12	27.82	61	22	21	8.34
2035	17	6	6	44.87	32	12	10	28.33	50	18	17	8.58
2036	15	6	5	45.88	29	10	9	28.89	44	16	15	8.75
2037	14	5	5	46.93	25	9	8	29.43	37	14	13	8.89
2038	12	4	4	47.79	22	8	7	29.99	32	12	11	9.15
2039	11	4	4	48.83	19	7	6	30.57	28	10	10	9.34
2040	10	4	3	49.86	18	6	6	31.16	26	10	9	9.53
2041	7	2	2	50.04	13	5	4	32.11	22	8	8	9.67
2042	6	2	2	51.29	11	4	3	32.72	18	6	6	9.88
2043	4	1	1	51.60	7	3	2	33.26	12	4	4	10.28
2044	3	1	1	52.77	6	2	2	33.88	10	4	4	10.51
2045	3	1	1	53.37	6	2	2	34.53	9	3	3	10.69
2046	3	1	1	54.48	5	2	2	35.21	9	3	3	10.91
2047	2	1	1	55.64	5	2	1	35.88	8	3	3	11.12
2048	2	1	1	56.84	4	2	1	36.79	7	3	2	11.35
2049	2	1	1	58.07	4	1	1	37.50	6	2	2	11.60
2050	1	0	0	57.90	3	1	1	38.59	6	2	2	11.86
2051	1	0	0	59.11	3	1	1	39.36	5	2	2	12.13
2052	1	0	0	59.61	2	1	1	40.19	3	1	1	11.94
2053	0	0	0	60.80	1	0	0	40.99	2	1	1	12.18
2054	0	0	0	62.02	1	0	0	41.81	1	1	1	12.42
2055	0	0	0	63.26	1	0	0	42.65	1	0	0	12.67
2056	0	0	0	64.53	1	0	0	43.50	1	0	0	12.92
2057	0	0	0	65.82	0	0	0	44.37	1	0	0	13.18
2058	0	0	0	67.13	0	0	0	45.26	1	0	0	13.45
2059	0	0	0	68.48	0	0	0	46.16	1	0	0	13.71
2060	0	0	0	69.85	0	0	0	47.09	1	0	0	13.99
2061	0	0	0	71.24	0	0	0	48.03	1	0	0	14.27
2062	0	0	0	72.67	0	0	0	48.99	0	0	0	14.55
2063	0	0	0	74.12	0	0	0	49.97	0	0	0	14.85
2064	0	0	0	75.60	0	0	0	50.97	0	0	0	15.14
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		336	271	34.82		649	507	23.48		1,021	954	7.17
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		336	271	34.82		649	507	23.48		1,021	954	7.17

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	974	178	145	16.60	1,914	349	302	29.75	4,023	734	653	20.48
2021	756	276	224	18.85	1,446	528	450	33.50	3,064	1,118	990	22.72
2022	663	242	195	22.62	1,201	438	366	39.38	2,607	952	835	26.02
2023	589	215	173	24.51	1,036	378	313	42.02	2,280	832	727	27.25
2024	515	188	151	24.92	896	327	271	42.56	1,978	722	631	27.61
2025	449	164	132	25.48	779	284	235	43.35	1,728	631	551	28.10
2026	385	140	113	25.90	634	231	191	42.84	1,448	529	462	27.72
2027	353	129	117	26.42	575	210	187	43.37	1,322	483	442	28.04
2028	321	117	107	27.01	518	189	169	44.02	1,200	438	402	28.44
2029	286	105	95	27.68	456	166	149	44.62	1,068	390	358	28.75
2030	242	88	81	27.76	376	137	124	44.60	888	324	298	28.86
2031	222	81	74	28.42	342	125	113	45.35	811	296	273	29.32
2032	187	68	63	29.48	292	107	97	46.88	699	255	237	30.12
2033	163	59	55	30.38	256	94	86	48.31	617	225	209	30.90
2034	143	52	48	30.90	228	83	76	49.77	542	198	184	31.87
2035	120	44	41	32.18	193	70	65	51.36	464	169	159	32.65
2036	107	39	36	33.12	174	64	59	53.10	418	152	143	33.70
2037	92	34	31	34.45	153	56	51	55.14	367	134	125	34.86
2038	82	30	28	35.64	135	49	45	56.34	329	120	112	35.41
2039	72	26	24	36.68	117	43	39	57.45	288	105	98	35.97
2040	67	24	23	37.64	109	40	37	58.74	270	99	92	36.73
2041	49	18	16	34.12	86	32	29	60.29	186	68	63	39.02
2042	40	15	13	35.48	73	27	24	62.26	157	57	53	40.18
2043	27	10	9	35.44	38	14	13	54.56	94	34	32	35.32
2044	23	9	8	36.49	34	12	11	55.61	83	30	28	35.90
2045	21	8	7	36.03	23	8	8	42.87	66	24	23	30.15
2046	19	7	6	36.88	21	8	7	43.54	62	23	21	30.68
2047	18	6	6	37.72	19	7	6	41.91	56	20	19	30.26
2048	16	6	5	38.31	17	6	6	42.92	50	18	17	30.91
2049	14	5	5	39.35	15	6	5	44.30	46	17	16	31.76
2050	11	4	4	35.02	12	4	4	41.60	33	12	11	30.69
2051	10	4	3	35.73	11	4	4	42.94	30	11	10	31.53
2052	7	2	2	36.34	7	2	2	36.44	19	7	7	29.01
2053	3	1	1	37.07	3	1	1	37.29	9	3	3	29.64
2054	3	1	1	37.81	3	1	1	38.04	8	3	3	30.23
2055	3	1	1	38.57	3	1	1	38.57	8	3	3	30.75
2056	2	1	1	39.34	2	1	1	39.34	7	3	2	31.36
2057	2	1	1	40.12	2	1	1	40.12	5	2	2	31.99
2058	2	1	1	40.93	2	1	1	40.93	5	2	2	32.63
2059	2	1	1	41.75	2	1	1	41.75	5	2	2	33.28
2060	1	1	0	42.58	1	1	0	42.58	4	1	1	33.95
2061	1	0	0	43.43	1	0	0	43.43	3	1	1	34.63
2062	1	0	0	44.30	1	0	0	44.30	3	1	1	35.32
2063	1	0	0	45.19	1	0	0	45.19	3	1	1	36.03
2064	1	0	0	46.09	1	0	0	46.09	3	1	1	36.75
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		2,400	2,045	25.62		4,107	3,549	42.02		9,251	8,303	27.61
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		2,400	2,045	25.62		4,107	3,549	42.02		9,251	8,303	27.61

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Total	Total	Process.	Crown	Other	Crown	Other	After	After			
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	7,330	4,302	2,798	14,430	606	15,036	271	1,736	240	586	36	1,353	13,413	4,130	3,359	7,489
2021	12,305	7,193	4,947	24,446	964	25,410	388	3,102	432	902	51	2,581	22,441	5,753	5,169	10,922
2022	11,648	6,989	5,219	23,856	903	24,759	337	3,442	429	829	44	2,998	21,424	5,857	4,426	10,283
2023	10,501	6,347	5,034	21,882	791	22,672	299	3,394	391	760	39	2,986	19,387	5,939	3,925	9,865
2024	9,133	5,648	4,481	19,262	676	19,938	251	2,946	339	675	31	2,579	17,108	5,746	3,445	9,191
2025	8,064	5,071	3,997	17,132	590	17,721	228	2,683	281	611	26	2,327	15,166	5,578	3,092	8,670
2026	6,215	4,514	3,512	14,241	411	14,652	128	2,263	241	542	19	1,943	12,582	4,699	2,416	7,115
2027	5,634	4,233	3,286	13,153	380	13,533	118	1,296	221	230	18	1,270	12,145	4,746	2,239	6,985
2028	5,108	3,948	3,062	12,118	340	12,458	110	1,142	204	212	17	1,118	11,230	4,682	2,071	6,753
2029	4,487	3,621	2,795	10,904	301	11,205	102	1,001	189	194	15	980	10,123	4,421	1,876	6,297
2030	3,650	3,075	2,371	9,096	253	9,349	89	745	176	172	15	735	8,524	3,617	1,620	5,237
2031	3,341	2,891	2,222	8,455	230	8,684	83	673	158	159	14	659	7,942	3,558	1,511	5,069
2032	2,967	2,571	1,945	7,482	199	7,681	76	588	102	141	10	539	7,066	3,221	1,349	4,570
2033	2,710	2,331	1,744	6,786	171	6,957	70	523	77	127	8	466	6,421	3,060	1,221	4,281
2034	2,539	2,061	1,552	6,152	153	6,306	65	470	71	113	8	419	5,821	2,881	1,102	3,982
2035	2,208	1,830	1,361	5,399	135	5,533	56	412	33	101	3	342	5,135	2,583	976	3,560
2036	2,088	1,692	1,251	5,031	107	5,138	49	381	31	92	2	317	4,772	2,529	908	3,437
2037	1,926	1,525	1,122	4,573	98	4,671	44	344	29	82	2	289	4,338	2,394	831	3,225
2038	1,715	1,416	1,029	4,159	92	4,251	42	313	26	76	2	261	3,949	2,269	761	3,030
2039	1,497	1,275	927	3,699	87	3,786	39	284	24	69	2	237	3,510	2,078	681	2,759
2040	1,424	1,226	889	3,539	79	3,618	35	272	23	66	2	227	3,356	2,100	653	2,753
2041	1,297	720	582	2,599	57	2,656	27	214	22	50	2	184	2,444	1,537	455	1,991
2042	1,129	622	504	2,255	48	2,303	23	192	20	43	2	167	2,113	1,371	400	1,771
2043	420	429	328	1,178	40	1,218	19	101	9	30	0	80	1,119	643	212	855
2044	368	391	296	1,055	38	1,092	18	92	9	27	0	73	1,002	592	193	784
2045	88	350	258	697	33	730	17	61	0	24	0	36	677	375	133	508
2046	80	338	249	668	27	695	13	59	0	23	0	35	646	377	128	505
2047	44	323	235	602	16	618	8	54	0	22	0	32	579	346	119	465
2048	43	296	213	552	15	567	7	50	0	21	0	29	530	332	104	436
2049	43	284	203	530	1	532	0	48	0	20	0	29	503	335	100	435
2050	42	183	142	367	1	368	0	36	0	16	0	20	348	233	63	296
2051	42	168	130	340	0	341	0	33	0	14	0	19	322	226	58	284
2052	0	115	89	204	0	204	0	21	0	10	0	11	194	128	38	165
2053	0	52	41	93	0	93	0	10	0	5	0	5	88	50	17	67
2054	0	51	40	90	0	91	0	10	0	5	0	5	86	50	17	67
2055	0	48	38	86	0	86	0	9	0	4	0	5	81	50	16	65
2056	0	45	35	80	0	80	0	9	0	4	0	4	76	48	15	63
2057	0	33	26	59	0	59	0	6	0	3	0	3	56	34	11	45
2058	0	32	25	58	0	58	0	6	0	3	0	3	54	35	11	45
2059	0	32	25	56	0	56	0	6	0	3	0	3	53	35	10	46
2060	0	27	21	49	0	49	0	5	0	3	0	3	46	31	9	40
2061	0	23	18	41	0	41	0	5	0	2	0	2	39	27	8	35
2062	0	20	15	35	0	35	0	4	0	2	0	2	33	24	6	30
2063	0	19	15	34	0	34	0	4	0	2	0	2	32	24	6	31
2064	0	19	15	34	0	34	0	4	0	2	0	2	32	25	6	31
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	110,088	78,381	59,089	247,558	7,841	255,399	3,014	29,049	3,776	7,076	367	25,383	227,003	88,768	45,764	134,532
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	110,088	78,381	59,089	247,558	7,841	255,399	3,014	29,049	3,776	7,076	367	25,383	227,003	88,768	45,764	134,532
Disc	65,324	42,800	31,991	140,115	4,828	144,943	1,853	17,968	2,342	4,452	239	15,618	127,472	43,805	26,513	70,319

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	5,923	946	816	6,053	0	0	0	0	6,053	6,053	5,911
2021	0	0	0	11,518	1,348	824	12,043	0	0	0	0	12,043	18,096	16,858
2022	0	0	0	11,141	1,117	841	11,418	0	0	0	0	11,418	29,513	26,295
2023	0	0	0	9,522	961	857	9,626	0	0	0	0	9,626	39,140	33,527
2024	0	0	0	7,917	787	875	7,829	0	0	0	0	7,829	46,968	38,874
2025	0	0	0	6,496	650	5,512	1,634	0	0	0	0	1,634	48,602	39,888
2026	0	0	0	5,466	507	910	5,063	0	0	0	0	5,063	53,665	42,746
2027	0	0	0	5,160	454	986	4,629	0	0	0	0	4,629	58,294	45,121
2028	0	0	0	4,477	412	1,475	3,414	0	0	0	0	3,414	61,708	46,714
2029	0	0	0	3,825	363	2,446	1,742	0	0	0	0	1,742	63,450	47,453
2030	0	0	0	3,288	317	2,072	1,533	0	0	0	0	1,533	64,983	48,044
2031	0	0	0	2,873	285	842	2,316	0	0	0	0	2,316	67,299	48,856
2032	0	0	0	2,496	244	1,050	1,690	0	0	0	0	1,690	68,988	49,394
2033	0	0	0	2,140	210	1,163	1,187	0	0	0	0	1,187	70,175	49,738
2034	0	0	0	1,839	176	2,878	-863	0	0	0	0	-863	69,312	49,511
2035	0	0	0	1,576	152	220	1,508	0	0	0	0	1,508	70,820	49,872
2036	0	0	0	1,335	139	495	978	0	0	0	0	978	71,798	50,084
2037	0	0	0	1,112	124	590	647	0	0	0	0	647	72,445	50,212
2038	0	0	0	919	109	825	203	0	0	0	0	203	72,648	50,249
2039	0	0	0	751	99	556	294	0	0	0	0	294	72,942	50,297
2040	0	0	0	603	91	222	471	0	0	0	0	471	73,413	50,367
2041	0	0	0	453	81	380	154	0	0	0	0	154	73,567	50,388
2042	0	0	0	342	73	262	153	0	0	0	0	153	73,720	50,407
2043	0	0	0	265	34	703	-405	0	0	0	0	-405	73,315	50,361
2044	0	0	0	218	30	41	207	0	0	0	0	207	73,522	50,382
2045	0	0	0	169	17	2,745	-2,559	0	0	0	0	-2,559	70,963	50,146
2046	0	0	0	141	15	422	-266	0	0	0	0	-266	70,698	50,124
2047	0	0	0	114	13	1,065	-938	0	0	0	0	-938	69,760	50,052
2048	0	0	0	94	12	137	-31	0	0	0	0	-31	69,729	50,050
2049	0	0	0	68	10	2,094	-2,016	0	0	0	0	-2,016	67,713	49,923
2050	0	0	0	52	8	11	48	0	0	0	0	48	67,761	49,926
2051	0	0	0	38	7	81	-36	0	0	0	0	-36	67,725	49,924
2052	0	0	0	28	5	40	-6	0	0	0	0	-6	67,718	49,924
2053	0	0	0	22	5	8	18	0	0	0	0	18	67,736	49,925
2054	0	0	0	19	4	524	-501	0	0	0	0	-501	67,235	49,905
2055	0	0	0	15	4	26	-6	0	0	0	0	-6	67,229	49,905
2056	0	0	0	13	3	810	-794	0	0	0	0	-794	66,435	49,879
2057	0	0	0	11	2	174	-160	0	0	0	0	-160	66,275	49,874
2058	0	0	0	9	2	0	11	0	0	0	0	11	66,286	49,875
2059	0	0	0	7	2	4	6	0	0	0	0	6	66,292	49,875
2060	0	0	0	6	2	5	2	0	0	0	0	2	66,294	49,875
2061	0	0	0	4	1	33	-27	0	0	0	0	-27	66,267	49,874
2062	0	0	0	3	1	0	4	0	0	0	0	4	66,270	49,874
2063	0	0	0	2	1	0	2	0	0	0	0	2	66,273	49,874
2064	0	0	0	1	1	10	-9	0	0	0	0	-9	66,264	49,874
2065	0	0	0	0	0	10	-10	0	0	0	0	-10	66,254	49,874
2066	0	0	0	0	0	9	-9	0	0	0	0	-9	66,245	49,874
2067	0	0	0	0	0	0	0	0	0	0	0	0	66,245	49,874
2068	0	0	0	0	0	0	0	0	0	0	0	0	66,245	49,874
2069	0	0	0	0	0	9,926	-9,926	0	0	0	0	-9,926	56,319	49,781
Sub.	0	0	0	92,471	9,822	45,973	56,319	0	0	0	0	56,319	56,319	49,781
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	56,319	49,781
Tot.	0	0	0	92,471	9,822	45,973	56,319	0	0	0	0	56,319	56,319	49,781
Disc	0	0	0	57,153	6,182	13,554	49,781	0	0	0	0	49,781	49,781	49,781

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	1,503	11	1,514	1,331	1.000	1,514	16	34.5	5.4	4.8
Tight Oil	Mbbl	188	5	193	173	1.000	193	2	9.5	3.1	2.8
Total: Total Oil	Mbbl	1,690	17	1,707	1,504	1.000	1,707	18	34.5	5.0	4.5
Solution Gas	MMcf	6,250	21	6,271	5,578	6.000	1,045	11	34.5	5.3	4.7
Residue Gas	MMcf	21,638	1,601	23,239	21,671	6.000	3,873	42	44.5	7.7	6.2
Shale Gas	MMcf	1,287	63	1,350	1,271	6.000	225	2	24.5	3.2	2.8
Total: Gas	MMcf	29,175	1,685	30,860	28,519	6.000	5,143	56	44.5	6.7	5.7
Gas Heat Content	BBtu	32,009	1,765	33,774	31,201	0.000	0	0	44.5	6.7	5.7
Condensate	Mbbl	283	14	297	234	1.000	297	3	44.5	6.0	5.4
Field Condensate (NGL)	Mbbl	92	5	97	79	1.000	97	1	44.5	7.0	5.7
Butane	Mbbl	325	11	336	271	1.000	336	4	44.5	6.7	5.6
Propane	Mbbl	629	20	649	507	1.000	649	7	44.5	6.9	5.6
Ethane	Mbbl	980	41	1,021	954	1.000	1,021	11	44.5	7.0	5.7
Total: NGL	Mbbl	2,309	91	2,400	2,045	1.000	2,400	26	44.5	6.7	5.6
Total: Oil+NGL	Mbbl	3,999	108	4,107	3,549	1.000	4,107	44	44.5	5.9	5.1
Total: Oil Eq.	Mboe	8,862	388	9,251	8,303	1.000	9,251	100	44.5	6.3	5.4

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	43.76	4.22	22.22	0.00	17.32	88,004	39	50,660	40
Tight Oil	\$/bbl	41.64	1.93	9.63	0.00	30.08	9,791	4	7,343	6
Total: Total Oil	\$/bbl	43.38	3.80	19.96	0.00	19.61	97,795	43	58,002	46
Solution Gas	\$/Mcf	1.88	0.08	1.15	0.00	0.65	14,142	6	8,556	7
Residue Gas	\$/Mcf	2.05	0.09	2.00	0.00	-0.04	61,414	27	32,337	25
Shale Gas	\$/Mcf	2.14	0.09	1.54	0.00	0.50	3,236	1	2,411	2
Total: Gas	\$/Mcf	2.01	0.09	1.74	0.00	0.19	78,792	35	43,305	34
Condensate	\$/bbl	45.00	12.16	0.00	0.00	32.84	16,493	7	8,586	7
Field Condensate (NGL)	\$/bbl	46.59	8.97	7.30	0.00	30.32	5,619	2	2,926	2
Butane	\$/bbl	13.43	5.61	0.00	0.00	7.82	9,396	4	4,600	4
Propane	\$/bbl	16.21	5.71	0.00	0.00	10.50	11,733	5	6,077	5
Ethane	\$/bbl	5.43	-0.09	0.00	0.00	5.52	7,176	3	3,975	3
Total: NGL	\$/bbl	16.60	4.34	0.28	0.00	11.97	50,416	22	26,165	21
Total: Oil+NGL	\$/bbl	29.75	4.08	9.95	0.00	15.72	148,211	65	84,167	66
Total: Oil Eq.	\$/boe	20.48	2.21	10.13	0.00	8.14	227,003	100	127,472	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY**Net Present Value Before Income Tax**

	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	12.0310	11.7343	0	92,471	56,319	0	56,319	6.09
Non-crown Royalty	1.6601	1.5253	5	70,550	56,900	0	56,900	6.15
Mineral Tax	0.0000	0.0000	8	61,821	52,617	0	52,617	5.69
			10	57,153	49,781	0	49,781	5.38
			12	53,177	47,147	0	47,147	5.10
			15	48,214	43,631	0	43,631	4.72
			20	41,855	38,824	0	38,824	4.20

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:49

Company: Evaluation of Gain Energy Ltd. for i3 Energy
 Property: Corporate
 Description: CGU 2 - Deep Basin/Peace River Arch

Reserve Class: Proved Plus Probable
 Development Class: Total
 Pricing: Sproule (2020-06-30)
 Effective Date: June 30, 2020

Economic Forecast

PRODUCTION FORECAST

Year	Light & Medium Oil Production						Tight Oil Production				Total Oil Production			
	Company Wells		Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price	Company	Company	Net Yearly	Price
	Oil	Gas	Daily	Yearly			Daily	Yearly			Daily	Yearly		
2020	41	77	817	149	135	43.75	182	33	32	41.63	999	182	167	43.36
2021	29	56	692	253	227	49.87	135	49	47	47.75	827	302	274	49.52
2022	40	66	1,217	444	398	60.32	350	128	121	58.21	1,566	572	519	59.85
2023	50	67	1,445	527	456	65.29	974	356	338	63.22	2,419	883	794	64.46
2024	53	64	1,082	395	328	66.68	1,199	438	416	64.46	2,281	833	744	65.51
2025	52	59	789	288	234	68.02	1,079	394	373	65.75	1,868	682	607	66.71
2026	46	56	592	216	178	69.35	783	286	269	67.08	1,375	502	447	68.06
2027	46	56	496	181	153	70.73	540	197	181	68.45	1,036	378	333	69.54
2028	45	55	427	156	134	72.16	423	155	138	69.82	850	310	272	71.00
2029	44	54	367	134	117	73.63	349	127	114	71.23	716	261	230	72.46
2030	42	49	328	120	105	75.10	292	107	95	72.60	620	226	200	73.92
2031	39	47	292	107	95	76.59	246	90	80	73.95	539	197	175	75.38
2032	38	44	260	95	85	78.09	219	80	71	75.43	480	175	156	76.88
2033	35	41	230	84	76	79.63	197	72	64	76.94	427	156	139	78.39
2034	35	36	210	77	69	81.22	179	65	58	78.48	389	142	128	79.96
2035	34	33	187	68	62	82.91	163	60	54	80.05	350	128	115	81.58
2036	34	31	172	63	57	84.57	150	55	50	81.65	322	118	107	83.21
2037	33	28	156	57	52	86.27	138	50	46	83.28	294	107	98	84.87
2038	32	28	140	51	47	87.97	127	46	42	84.95	267	97	88	86.54
2039	31	26	122	44	40	89.92	117	43	37	86.65	238	87	77	88.32
2040	29	26	108	39	36	91.77	108	39	33	88.38	215	79	69	90.07
2041	26	11	90	33	30	93.72	99	36	31	90.15	189	69	61	91.85
2042	24	9	79	29	26	95.62	91	33	29	91.95	170	62	55	93.66
2043	19	5	51	19	17	97.38	84	31	26	93.79	135	49	43	95.15
2044	16	5	40	15	13	99.24	74	27	23	95.67	114	42	37	96.92
2045	14	5	25	9	8	101.05	68	25	22	97.58	93	34	30	98.52
2046	13	5	21	8	7	103.05	62	23	20	99.53	83	30	27	100.42
2047	12	5	18	7	6	105.11	57	21	18	101.52	76	28	25	102.39
2048	6	4	17	6	6	107.22	0	0	0	0.00	17	6	6	107.22
2049	5	4	14	5	5	109.37	0	0	0	0.00	14	5	5	109.37
2050	4	2	11	4	4	111.56	0	0	0	0.00	11	4	4	111.56
2051	2	2	5	2	2	113.77	0	0	0	0.00	5	2	2	113.77
2052	0	2	0	0	0	114.74	0	0	0	0.00	0	0	0	114.74
2053	0	1	0	0	0	117.02	0	0	0	0.00	0	0	0	117.02
2054	0	1	0	0	0	119.37	0	0	0	0.00	0	0	0	119.37
2055	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2056	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2057	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2058	0	1	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2059	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2060	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2061	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2062	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2063	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2064	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2065	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.				3,683	3,207	68.96		3,064	2,825	69.99		6,747	6,033	69.43
Rem.				0	0	0.00		0	0	0.00		0	0	0.00
Tot.				3,683	3,207	68.96		3,064	2,825	69.99		6,747	6,033	69.43

Year	Solution Gas Production				Residue Gas Production				Shale Gas Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf
2020	3,266	596	530	1.88	8,945	1,632	1,506	2.03	1,171	214	202	2.14
2021	2,790	1,018	910	2.06	9,536	3,481	3,227	2.17	843	308	291	2.28
2022	4,380	1,599	1,464	2.26	9,544	3,483	3,189	2.44	1,936	707	670	2.56
2023	4,753	1,735	1,582	2.35	11,907	4,346	3,964	2.50	4,262	1,556	1,478	2.63
2024	4,019	1,467	1,322	2.40	10,125	3,696	3,395	2.55	4,344	1,585	1,508	2.70
2025	3,049	1,113	995	2.45	8,808	3,215	2,967	2.61	3,163	1,154	1,096	2.76
2026	2,504	914	816	2.49	7,512	2,742	2,537	2.67	2,301	840	797	2.82
2027	2,167	791	712	2.54	6,734	2,458	2,317	2.73	1,705	622	589	2.87
2028	1,933	706	636	2.59	6,047	2,207	2,081	2.78	1,382	505	476	2.93
2029	1,690	617	555	2.64	5,425	1,980	1,867	2.84	1,163	424	400	2.99
2030	1,547	565	508	2.68	4,747	1,733	1,635	2.90	978	357	336	3.06
2031	1,422	519	467	2.74	4,276	1,561	1,475	2.96	842	307	289	3.12
2032	1,242	453	410	2.79	3,722	1,359	1,283	3.03	756	276	259	3.18
2033	1,063	388	352	2.85	3,201	1,168	1,103	3.09	679	248	233	3.24
2034	967	353	321	2.91	2,832	1,034	976	3.15	619	226	213	3.31
2035	844	308	282	2.96	2,390	872	824	3.22	568	207	196	3.37
2036	776	283	259	3.02	2,092	764	721	3.29	524	191	181	3.44
2037	705	257	236	3.08	1,799	657	619	3.37	480	175	166	3.51
2038	626	228	209	3.14	1,662	607	572	3.45	442	161	153	3.58
2039	558	204	186	3.19	1,490	544	513	3.52	407	148	140	3.65
2040	490	179	163	3.25	1,394	509	480	3.60	375	137	129	3.72
2041	418	153	139	3.30	870	318	300	3.51	344	126	119	3.80
2042	373	136	123	3.37	754	275	260	3.58	317	116	109	3.87
2043	215	78	72	3.47	397	145	137	3.66	291	106	100	3.95
2044	149	54	50	3.54	358	130	123	3.74	263	96	91	4.03
2045	98	36	33	3.71	331	121	114	3.82	240	88	83	4.11
2046	81	29	28	3.78	309	113	107	3.90	221	81	76	4.19
2047	71	26	25	3.86	288	105	99	3.99	203	74	70	4.28
2048	66	24	23	3.94	260	95	89	4.07	0	0	0	0.00
2049	60	22	21	4.00	237	87	82	4.16	0	0	0	0.00
2050	46	17	16	4.10	174	63	60	4.01	0	0	0	0.00
2051	21	8	7	4.29	157	57	54	4.09	0	0	0	0.00
2052	0	0	0	4.28	123	45	42	4.17	0	0	0	0.00
2053	0	0	0	4.37	77	28	26	4.25	0	0	0	0.00
2054	0	0	0	4.45	72	26	25	4.34	0	0	0	0.00
2055	0	0	0	0.00	63	23	22	4.42	0	0	0	0.00
2056	0	0	0	0.00	58	21	20	4.51	0	0	0	0.00
2057	0	0	0	0.00	48	17	16	4.60	0	0	0	0.00
2058	0	0	0	0.00	45	16	15	4.70	0	0	0	0.00
2059	0	0	0	0.00	18	7	6	4.79	0	0	0	0.00
2060	0	0	0	0.00	15	6	5	4.89	0	0	0	0.00
2061	0	0	0	0.00	13	5	4	4.98	0	0	0	0.00
2062	0	0	0	0.00	11	4	4	5.08	0	0	0	0.00
2063	0	0	0	0.00	10	4	3	5.18	0	0	0	0.00
2064	0	0	0	0.00	10	4	3	5.29	0	0	0	0.00
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		14,875	13,450	2.54		41,761	38,868	2.74		11,035	10,454	2.92
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		14,875	13,450	2.54		41,761	38,868	2.74		11,035	10,454	2.92

Year	Total Sales Gas Production				Field Condensate (NGL) Production				Condensate Production			
	Company Daily Mcf/d	Company Yearly MMcf	Net Yearly MMcf	Price \$/Mcf	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	13,381	2,442	2,238	2.01	40	7	6	46.58	140	26	19	45.09
2021	13,169	4,807	4,427	2.15	46	17	14	52.63	119	43	33	51.85
2022	15,859	5,789	5,323	2.40	53	20	16	61.65	182	67	54	60.33
2023	20,922	7,637	7,025	2.49	55	20	16	66.89	276	101	84	64.79
2024	18,488	6,748	6,225	2.55	43	16	12	68.35	256	93	78	65.71
2025	15,020	5,482	5,058	2.61	35	13	10	69.79	196	71	58	67.21
2026	12,317	4,496	4,151	2.66	30	11	9	71.27	151	55	44	68.91
2027	10,606	3,871	3,619	2.71	27	10	9	72.78	123	45	40	70.68
2028	9,363	3,418	3,193	2.76	24	9	8	74.32	106	39	34	72.34
2029	8,278	3,022	2,823	2.82	21	8	7	75.89	92	34	30	73.96
2030	7,272	2,654	2,479	2.88	19	7	6	77.50	81	29	26	75.53
2031	6,540	2,387	2,231	2.93	17	6	6	79.05	73	26	24	77.08
2032	5,720	2,088	1,953	3.00	15	5	5	80.62	65	24	21	78.56
2033	4,943	1,804	1,689	3.06	13	5	4	82.22	57	21	19	80.02
2034	4,418	1,613	1,510	3.12	12	4	4	83.87	51	19	17	81.60
2035	3,802	1,388	1,302	3.19	10	4	3	85.53	46	17	15	83.07
2036	3,392	1,238	1,161	3.25	9	3	3	87.25	42	15	14	84.65
2037	2,985	1,089	1,021	3.33	8	3	3	89.00	38	14	13	86.22
2038	2,729	996	934	3.40	7	3	2	90.76	35	13	12	87.92
2039	2,454	896	840	3.47	7	2	2	92.59	31	11	10	89.55
2040	2,259	824	773	3.54	6	2	2	94.43	29	11	9	91.22
2041	1,632	596	557	3.52	5	2	2	96.34	21	7	6	92.41
2042	1,443	527	492	3.59	4	2	1	98.28	19	7	6	94.13
2043	903	330	309	3.71	3	1	1	100.16	14	5	4	94.78
2044	769	281	264	3.80	3	1	1	102.07	13	5	4	96.52
2045	669	244	230	3.91	2	1	1	104.08	11	4	3	98.17
2046	611	223	211	3.99	2	1	1	106.14	10	4	3	100.12
2047	562	205	194	4.08	2	1	1	108.27	9	3	3	102.11
2048	326	119	112	4.04	2	1	1	110.44	3	1	1	113.21
2049	297	108	102	4.13	2	1	0	112.66	2	1	1	115.35
2050	219	80	75	4.03	1	0	0	114.92	1	0	0	121.04
2051	178	65	61	4.11	1	0	0	117.22	1	0	0	123.44
2052	123	45	42	4.17	1	0	0	119.56	1	0	0	125.98
2053	77	28	27	4.25	0	0	0	121.95	0	0	0	128.50
2054	72	26	25	4.34	0	0	0	124.39	0	0	0	131.07
2055	63	23	22	4.42	0	0	0	126.88	0	0	0	133.69
2056	58	21	20	4.51	0	0	0	129.42	0	0	0	136.37
2057	48	17	16	4.60	0	0	0	132.01	0	0	0	139.09
2058	45	16	15	4.70	0	0	0	134.65	0	0	0	141.87
2059	18	7	6	4.79	0	0	0	137.34	0	0	0	144.71
2060	15	6	5	4.89	0	0	0	140.08	0	0	0	147.60
2061	13	5	4	4.98	0	0	0	142.89	0	0	0	150.56
2062	11	4	4	5.08	0	0	0	145.74	0	0	0	153.57
2063	10	4	3	5.18	0	0	0	148.66	0	0	0	156.64
2064	10	4	3	5.29	0	0	0	151.63	0	0	0	159.78
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		67,671	62,772	2.73		185	155	72.18		811	688	70.50
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		67,671	62,772	2.73		185	155	72.18		811	688	70.50

Year	Butane Production				Propane Production				Ethane Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl
2020	145	26	20	13.52	275	50	36	16.35	430	78	73	5.46
2021	147	54	42	20.21	292	107	82	17.80	465	170	158	5.93
2022	183	67	54	29.17	331	121	94	21.27	463	169	158	6.61
2023	223	81	67	34.54	387	141	112	22.37	521	190	178	6.72
2024	192	70	56	35.81	328	120	92	22.78	449	164	153	6.79
2025	152	55	44	36.66	265	97	73	23.22	373	136	127	7.08
2026	123	45	36	37.58	219	80	60	23.77	313	114	106	7.18
2027	106	39	34	38.38	193	70	60	24.27	277	101	94	7.30
2028	94	34	31	39.19	172	63	54	24.76	247	90	84	7.43
2029	83	30	27	39.97	152	56	48	25.25	219	80	74	7.56
2030	73	27	24	40.82	134	49	42	25.75	192	70	65	7.69
2031	66	24	22	41.65	121	44	38	26.27	173	63	59	7.77
2032	58	21	19	42.45	105	38	33	26.78	149	54	51	7.95
2033	51	19	17	43.15	93	34	29	27.31	131	48	45	8.09
2034	45	17	15	44.00	83	30	26	27.86	117	43	40	8.25
2035	40	15	13	44.83	72	26	22	28.40	101	37	34	8.44
2036	36	13	12	45.74	65	24	20	28.97	90	33	31	8.60
2037	32	12	11	46.68	57	21	18	29.53	79	29	27	8.74
2038	29	11	10	47.58	52	19	16	30.11	71	26	24	8.93
2039	26	10	9	48.62	46	17	14	30.70	63	23	21	9.10
2040	24	9	8	49.64	41	15	13	31.30	57	21	19	9.29
2041	17	6	6	50.47	31	11	10	32.04	46	17	16	9.41
2042	15	6	5	51.55	27	10	8	32.66	39	14	13	9.48
2043	10	4	3	51.85	18	6	5	33.19	25	9	9	9.89
2044	9	3	3	52.41	14	5	4	33.79	20	7	7	10.29
2045	7	3	2	52.98	12	4	4	34.43	18	7	6	10.56
2046	7	2	2	53.90	11	4	3	35.10	16	6	6	10.81
2047	6	2	2	55.00	10	4	3	35.78	15	5	5	11.02
2048	4	2	1	55.94	9	3	3	36.96	13	5	5	11.24
2049	4	1	1	57.07	8	3	3	37.70	12	4	4	11.44
2050	3	1	1	57.56	7	2	2	38.61	10	4	4	11.69
2051	2	1	1	58.81	5	2	1	39.38	8	3	3	11.97
2052	1	0	0	59.61	3	1	1	40.19	6	2	2	11.94
2053	1	0	0	60.80	2	1	1	40.99	4	1	1	12.18
2054	1	0	0	62.02	2	1	1	41.81	3	1	1	12.42
2055	1	0	0	63.26	2	1	0	42.65	3	1	1	12.67
2056	1	0	0	64.53	1	1	0	43.50	3	1	1	12.92
2057	1	0	0	65.82	1	0	0	44.37	2	1	1	13.18
2058	0	0	0	67.13	1	0	0	45.26	2	1	1	13.45
2059	0	0	0	68.48	0	0	0	46.16	1	0	0	13.71
2060	0	0	0	69.85	0	0	0	47.09	1	0	0	13.99
2061	0	0	0	71.24	0	0	0	48.03	1	0	0	14.27
2062	0	0	0	72.67	0	0	0	48.99	0	0	0	14.55
2063	0	0	0	74.12	0	0	0	49.97	0	0	0	14.85
2064	0	0	0	75.60	0	0	0	50.97	0	0	0	15.14
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		711	599	36.56		1,281	1,032	24.13		1,830	1,708	7.31
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		711	599	36.56		1,281	1,032	24.13		1,830	1,708	7.31

Year	Natural Gas Liquids Production				Oil + Liquids Production				Oil Equivalent Production			
	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily bbl/d	Company Yearly Mbbl	Net Yearly Mbbl	Price \$/bbl	Company Daily boe/d	Company Yearly Mboe	Net Yearly Mboe	Price \$/boe
2020	1,029	188	155	16.50	2,029	370	321	29.73	4,259	777	694	20.47
2021	1,069	390	329	18.26	1,895	692	603	31.89	4,090	1,493	1,341	21.71
2022	1,213	443	376	24.52	2,779	1,014	896	44.43	5,423	1,979	1,783	29.81
2023	1,462	534	457	28.32	3,881	1,417	1,251	50.84	7,368	2,689	2,421	33.86
2024	1,268	463	391	29.31	3,549	1,295	1,135	52.58	6,631	2,420	2,172	35.25
2025	1,021	373	311	29.37	2,888	1,054	919	53.51	5,392	1,968	1,762	35.94
2026	836	305	255	29.47	2,211	807	702	53.47	4,263	1,556	1,394	35.41
2027	725	265	237	29.53	1,762	643	570	53.07	3,530	1,288	1,173	34.64
2028	643	235	210	29.89	1,493	545	482	53.30	3,054	1,115	1,015	34.54
2029	568	207	186	30.40	1,284	469	416	53.86	2,663	972	887	34.71
2030	498	182	163	31.02	1,118	408	364	54.81	2,330	850	777	35.27
2031	450	164	148	31.60	989	361	322	55.46	2,079	759	694	35.60
2032	392	143	128	32.55	871	318	285	56.96	1,825	666	610	36.59
2033	345	126	113	33.16	772	282	253	58.17	1,595	582	534	37.62
2034	308	112	101	33.86	697	254	229	59.59	1,433	523	480	38.58
2035	268	98	89	34.85	618	226	204	61.29	1,252	457	421	39.94
2036	242	88	80	35.65	564	206	186	62.81	1,129	412	380	41.14
2037	215	78	71	36.63	509	186	169	64.49	1,006	367	339	42.47
2038	194	71	64	37.62	462	168	153	65.93	916	335	308	43.32
2039	173	63	57	38.58	411	150	134	67.41	820	299	274	44.17
2040	156	57	51	39.55	372	136	120	68.81	748	273	249	44.88
2041	120	44	39	39.19	309	113	100	71.39	581	212	192	47.83
2042	105	38	34	40.47	275	100	89	73.34	516	188	171	49.19
2043	70	26	23	43.14	205	75	66	77.34	355	130	118	53.98
2044	58	21	19	44.87	172	63	56	79.35	300	110	100	55.22
2045	51	18	17	45.51	144	52	47	79.83	255	93	85	55.20
2046	46	17	15	46.69	129	47	42	81.34	231	84	77	56.05
2047	42	15	14	47.72	118	43	38	82.92	212	77	71	57.03
2048	31	11	10	38.86	48	17	16	63.15	102	37	35	42.48
2049	28	10	9	39.79	42	15	14	63.06	92	33	31	42.39
2050	22	8	7	37.80	33	12	11	61.70	70	25	24	42.03
2051	17	6	6	37.18	22	8	7	54.08	52	19	17	37.16
2052	11	4	4	36.34	11	4	4	36.40	31	11	11	29.00
2053	7	3	2	37.07	7	3	2	37.17	20	7	7	29.59
2054	6	2	2	37.81	6	2	2	37.91	19	7	6	30.18
2055	6	2	2	38.57	6	2	2	38.57	16	6	5	30.75
2056	5	2	2	39.34	5	2	2	39.34	15	5	5	31.36
2057	4	2	1	40.12	4	2	1	40.12	12	4	4	31.99
2058	4	1	1	40.93	4	1	1	40.93	11	4	4	32.63
2059	2	1	1	41.75	2	1	1	41.75	5	2	2	33.28
2060	1	1	0	42.58	1	1	0	42.58	4	1	1	33.95
2061	1	0	0	43.43	1	0	0	43.43	3	1	1	34.63
2062	1	0	0	44.30	1	0	0	44.30	3	1	1	35.32
2063	1	0	0	45.19	1	0	0	45.19	3	1	1	36.03
2064	1	0	0	46.09	1	0	0	46.09	3	1	1	36.75
2065	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2066	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2067	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2068	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
2069	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00
Sub.		4,818	4,181	29.23		11,565	10,214	52.68		22,844	20,676	34.75
Rem.		0	0	0.00		0	0	0.00		0	0	0.00
Tot.		4,818	4,181	29.23		11,565	10,214	52.68		22,844	20,676	34.75

REVENUE AND EXPENSE FORECAST

Year	Revenue Before Burdens				Royalty			Royalty Burdens		Gas Processing		Total	Net	Operating Expenses		
	Working Interest				Royalty	Company	Interest	Pre-Processing		Allowance		Royalty	Revenue	Fixed	Variable	Total
	Oil	Gas	NGL+Sul	Total	Total	Total	Process.	Crown	Other	Crown	Other	After	After			
M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
2020	7,791	4,556	2,946	15,292	617	15,909	271	1,784	240	601	36	1,386	14,252	4,191	3,481	7,672
2021	14,735	9,798	6,869	31,402	1,008	32,410	393	3,596	447	1,103	53	2,887	29,130	6,061	6,375	12,436
2022	33,986	13,387	10,587	57,960	1,032	58,992	354	6,240	473	1,341	49	5,324	53,314	7,048	9,326	16,373
2023	55,954	18,529	14,819	89,302	1,761	91,063	319	9,710	733	1,701	55	8,687	82,058	8,658	12,624	21,282
2024	52,890	16,721	13,273	82,884	2,437	85,321	276	9,353	815	1,552	58	8,558	76,487	9,099	10,801	19,901
2025	43,601	13,848	10,656	68,106	2,615	70,720	259	8,056	622	1,370	52	7,256	63,206	9,032	8,767	17,798
2026	32,675	11,642	8,786	53,102	2,001	55,104	158	6,323	505	1,161	44	5,624	49,321	8,278	6,958	15,236
2027	25,343	10,223	7,649	43,215	1,407	44,622	148	4,494	441	674	41	4,220	40,254	8,396	6,014	14,410
2028	21,301	9,205	6,860	37,367	1,129	38,495	138	3,916	397	593	39	3,682	34,676	8,405	5,358	13,763
2029	18,329	8,302	6,167	32,797	948	33,746	129	3,299	361	523	37	3,101	30,516	8,209	4,788	12,997
2030	16,206	7,443	5,522	29,171	824	29,995	114	2,842	334	459	35	2,682	27,199	7,901	4,283	12,183
2031	14,372	6,830	5,082	26,284	725	27,009	107	2,506	298	410	33	2,360	24,541	7,604	3,894	11,498
2032	13,063	6,106	4,556	23,725	645	24,370	98	2,248	235	352	28	2,102	22,170	7,225	3,495	10,721
2033	11,853	5,389	4,086	21,328	577	21,905	91	1,991	189	281	24	1,875	19,939	6,898	3,050	9,948
2034	11,022	4,905	3,725	19,652	528	20,179	85	1,786	173	246	23	1,691	18,404	6,796	2,803	9,599
2035	10,114	4,317	3,347	17,778	474	18,252	70	1,583	127	213	17	1,480	16,702	6,470	2,466	8,936
2036	9,496	3,943	3,094	16,533	424	16,958	62	1,437	119	194	15	1,346	15,550	6,444	2,255	8,699
2037	8,839	3,544	2,824	15,207	395	15,602	57	1,296	111	174	14	1,219	14,326	6,336	2,039	8,375
2038	8,188	3,312	2,623	14,123	369	14,492	52	1,221	103	161	13	1,149	13,291	6,289	1,894	8,183
2039	7,445	3,038	2,389	12,872	347	13,219	49	1,261	97	146	12	1,200	11,971	6,046	1,719	7,765
2040	6,854	2,859	2,217	11,930	323	12,253	44	1,247	93	137	12	1,191	11,019	5,960	1,596	7,555
2041	6,122	2,048	1,682	9,852	286	10,138	35	1,070	88	105	11	1,042	9,060	5,020	1,205	6,224
2042	5,622	1,851	1,525	8,997	262	9,260	29	971	83	94	10	950	8,280	4,859	1,093	5,952
2043	4,490	1,187	1,078	6,755	241	6,997	23	757	39	58	3	735	6,239	3,706	655	4,361
2044	3,871	1,035	929	5,836	220	6,056	19	658	22	51	1	628	5,410	3,352	549	3,901
2045	3,190	926	820	4,936	204	5,140	17	559	5	44	0	520	4,604	3,018	427	3,445
2046	2,911	866	764	4,542	187	4,729	13	515	0	42	0	473	4,243	2,986	395	3,381
2047	2,700	819	718	4,237	166	4,404	8	479	0	40	0	440	3,956	3,007	370	3,377
2048	665	472	432	1,570	15	1,585	7	145	0	37	0	108	1,470	959	228	1,187
2049	563	447	408	1,417	1	1,419	0	134	0	35	0	100	1,319	911	214	1,125
2050	437	322	309	1,069	1	1,070	0	106	0	28	0	77	993	713	155	867
2051	200	267	232	699	0	700	0	70	0	24	0	47	653	460	109	569
2052	0	187	146	332	0	333	0	35	0	17	0	18	314	187	61	248
2053	0	120	93	213	0	214	0	23	0	11	0	12	202	110	39	149
2054	0	114	89	204	0	204	0	22	0	11	0	11	193	112	37	149
2055	0	101	79	181	0	181	0	19	0	9	0	10	171	103	33	136
2056	0	95	74	170	0	170	0	18	0	9	0	9	160	103	31	134
2057	0	80	62	143	0	143	0	15	0	7	0	8	135	90	26	116
2058	0	76	60	136	0	136	0	14	0	7	0	7	128	91	25	116
2059	0	32	25	56	0	56	0	6	0	3	0	3	53	35	10	46
2060	0	27	21	49	0	49	0	5	0	3	0	3	46	31	9	40
2061	0	23	18	41	0	41	0	5	0	2	0	2	39	27	8	35
2062	0	20	15	35	0	35	0	4	0	2	0	2	33	24	6	30
2063	0	19	15	34	0	34	0	4	0	2	0	2	32	24	6	31
2064	0	19	15	34	0	34	0	4	0	2	0	2	32	25	6	31
2065	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2067	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2068	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2069	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub.	454,830	179,052	137,687	771,569	22,171	793,740	3,424	81,828	7,152	14,036	716	74,228	716,088	181,295	109,685	290,979
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tot.	454,830	179,052	137,687	771,569	22,171	793,740	3,424	81,828	7,152	14,036	716	74,228	716,088	181,295	109,685	290,979
Disc	238,490	93,252	71,072	402,814	11,470	414,284	2,030	43,832	3,939	8,225	383	39,163	373,091	72,159	59,427	131,586

Year	Mineral Tax M\$	Capital Tax M\$	NPI Burden M\$	Net Prod'n Revenue M\$	Other Income M\$	Aband. & Recl. Costs M\$	Oper. Income M\$	Net Capital Investment				Before Tax Cash Flow		
								Dev. M\$	Plant M\$	Tang. M\$	Total M\$	Annual M\$	Cum. M\$	10.0% Dcf M\$
2020	0	0	0	6,580	953	816	6,717	3,280	125	360	3,765	2,952	2,952	2,883
2021	0	0	0	16,694	1,413	824	17,283	4,559	242	385	5,186	12,097	15,049	13,880
2022	0	0	0	36,941	2,034	841	38,134	26,665	7,623	3,733	38,021	113	15,162	13,973
2023	0	0	0	60,776	1,725	857	61,643	33,044	4,002	10,495	47,541	14,102	29,264	24,568
2024	0	0	0	56,586	1,540	875	57,252	18,495	834	1,847	21,176	36,076	65,340	49,209
2025	0	0	0	45,408	1,281	5,512	41,177	5,268	239	271	5,778	35,399	100,739	71,189
2026	0	0	0	34,085	1,055	910	34,230	0	0	0	0	34,230	134,969	90,510
2027	0	0	0	25,844	943	986	25,802	0	0	0	0	25,802	160,770	103,751
2028	0	0	0	20,913	858	1,614	20,157	0	0	0	0	20,157	180,927	113,154
2029	0	0	0	17,519	772	1,734	16,557	0	0	0	0	16,557	197,485	120,176
2030	0	0	0	15,016	677	2,304	13,389	0	0	0	0	13,389	210,874	125,338
2031	0	0	0	13,043	624	1,079	12,589	0	0	0	0	12,589	223,463	129,751
2032	0	0	0	11,450	565	1,291	10,723	0	0	0	0	10,723	234,186	133,167
2033	0	0	0	9,991	481	1,429	9,043	0	0	0	0	9,043	243,230	135,787
2034	0	0	0	8,805	421	2,090	7,136	0	0	0	0	7,136	250,365	137,666
2035	0	0	0	7,766	373	570	7,569	0	0	0	0	7,569	257,934	139,478
2036	0	0	0	6,851	341	763	6,428	0	0	0	0	6,428	264,362	140,877
2037	0	0	0	5,951	309	1,066	5,254	0	0	0	0	5,254	269,617	141,916
2038	0	0	0	5,108	279	825	4,561	0	0	0	0	4,561	274,178	142,737
2039	0	0	0	4,206	255	801	3,660	0	0	0	0	3,660	277,838	143,335
2040	0	0	0	3,464	218	336	3,345	0	0	0	0	3,345	281,183	143,832
2041	0	0	0	2,836	198	497	2,536	0	0	0	0	2,536	283,719	144,175
2042	0	0	0	2,328	171	262	2,237	0	0	0	0	2,237	285,956	144,450
2043	0	0	0	1,878	93	713	1,258	0	0	0	0	1,258	287,213	144,590
2044	0	0	0	1,509	55	423	1,140	0	0	0	0	1,140	288,354	144,706
2045	0	0	0	1,159	24	3,588	-2,405	0	0	0	0	-2,405	285,948	144,484
2046	0	0	0	862	19	736	145	0	0	0	0	145	286,093	144,496
2047	0	0	0	579	16	1,878	-1,282	0	0	0	0	-1,282	284,811	144,398
2048	0	0	0	283	15	439	-141	0	0	0	0	-141	284,670	144,389
2049	0	0	0	194	13	2,401	-2,194	0	0	0	0	-2,194	282,475	144,250
2050	0	0	0	125	10	217	-81	0	0	0	0	-81	282,394	144,246
2051	0	0	0	84	9	81	12	0	0	0	0	12	282,406	144,246
2052	0	0	0	67	7	3,133	-3,060	0	0	0	0	-3,060	279,346	144,101
2053	0	0	0	53	6	132	-73	0	0	0	0	-73	279,273	144,098
2054	0	0	0	43	6	755	-706	0	0	0	0	-706	278,567	144,070
2055	0	0	0	34	4	573	-535	0	0	0	0	-535	278,032	144,051
2056	0	0	0	26	4	1,196	-1,166	0	0	0	0	-1,166	276,866	144,014
2057	0	0	0	19	3	174	-152	0	0	0	0	-152	276,714	144,009
2058	0	0	0	12	3	0	15	0	0	0	0	15	276,729	144,010
2059	0	0	0	7	2	23	-14	0	0	0	0	-14	276,716	144,009
2060	0	0	0	6	2	5	2	0	0	0	0	2	276,718	144,009
2061	0	0	0	4	1	33	-27	0	0	0	0	-27	276,690	144,009
2062	0	0	0	3	1	0	4	0	0	0	0	4	276,694	144,009
2063	0	0	0	2	1	124	-122	0	0	0	0	-122	276,572	144,007
2064	0	0	0	1	1	10	-9	0	0	0	0	-9	276,563	144,007
2065	0	0	0	0	0	10	-10	0	0	0	0	-10	276,553	144,007
2066	0	0	0	0	0	9	-9	0	0	0	0	-9	276,544	144,007
2067	0	0	0	0	0	0	0	0	0	0	0	0	276,544	144,007
2068	0	0	0	0	0	0	0	0	0	0	0	0	276,544	144,007
2069	0	0	0	0	0	9,926	-9,926	0	0	0	0	-9,926	266,619	143,914
Sub.	0	0	0	425,109	17,778	54,802	388,085	91,311	13,065	17,090	121,466	266,619	266,619	143,914
Rem.	0	0	0	0	0	0	0	0	0	0	0	0	266,619	143,914
Tot.	0	0	0	425,109	17,778	54,802	388,085	91,311	13,065	17,090	121,466	266,619	266,619	143,914
Disc	0	0	0	241,505	10,178	14,187	237,496	70,114	10,367	13,101	93,582	143,914	143,914	143,914

SUMMARY OF RESERVES

Product	Units	Remaining Reserves at Jul 01, 2020				Oil Equivalents			Reserve Life Indic. (yr)		
		Working Interest	Roy/NPI Interest	Total Company	Net	Oil Eq. Factor	Company Mboe	% of Total	Reserve Life	Life Index	Half Life
Light/Med Oil	Mbbl	3,671	12	3,683	3,207	1,000	3,683	16	34.5	12.3	5.3
Tight Oil	Mbbl	2,882	182	3,064	2,825	1,000	3,064	13	27.5	46.1	6.5
Total: Total Oil	Mbbl	6,554	193	6,747	6,033	1,000	6,747	30	34.5	18.5	5.9
Solution Gas	MMcf	14,854	21	14,875	13,450	6,000	2,479	11	34.5	12.5	5.9
Residue Gas	MMcf	40,100	1,660	41,761	38,868	6,000	6,960	30	44.5	12.8	6.4
Shale Gas	MMcf	10,702	333	11,035	10,454	6,000	1,839	8	27.5	25.8	6.0
Total: Gas	MMcf	65,657	2,014	67,671	62,772	6,000	11,278	49	44.5	13.9	6.2
Gas Heat Content	BBtu	70,455	2,113	72,568	67,296	0.000	0	0	44.5	13.9	6.2
Condensate	Mbbl	789	23	811	688	1,000	811	4	44.5	15.9	6.1
Field Condensate (NGL)	Mbbl	181	5	185	155	1,000	185	1	44.5	12.6	6.0
Butane	Mbbl	698	14	711	599	1,000	711	3	44.5	13.5	6.0
Propane	Mbbl	1,259	22	1,281	1,032	1,000	1,281	6	44.5	12.8	6.1
Ethane	Mbbl	1,786	43	1,830	1,708	1,000	1,830	8	44.5	11.7	6.1
Total: NGL	Mbbl	4,712	107	4,819	4,181	1,000	4,818	21	44.5	12.8	6.1
Total: Oil+NGL	Mbbl	11,265	300	11,565	10,214	1,000	11,565	51	44.5	15.6	5.9
Total: Oil Eq.	Mboe	22,208	636	22,844	20,676	1,000	22,844	100	44.5	14.7	6.1

PRODUCT REVENUE AND EXPENSES

Product	Units	Average First Year Unit Values				Net Revenue After Royalties				
		Wellhead Price	Net Burdens	Operating Expenses	Other Expenses	Prod'n Revenue	Undisc M\$	% of Total	10% Disc M\$	% of Total
Light/Med Oil	\$/bbl	43.75	4.10	21.15	0.00	18.50	221,295	31	120,984	32
Tight Oil	\$/bbl	41.63	1.92	9.80	0.00	29.90	196,985	28	98,217	26
Total: Total Oil	\$/bbl	43.36	3.70	19.08	0.00	20.58	418,280	58	219,201	59
Solution Gas	\$/Mcf	1.88	0.08	1.15	0.00	0.66	35,901	5	19,244	5
Residue Gas	\$/Mcf	2.03	0.09	1.92	0.00	0.03	110,630	15	57,769	15
Shale Gas	\$/Mcf	2.14	0.09	1.51	0.00	0.53	30,513	4	15,651	4
Total: Gas	\$/Mcf	2.01	0.08	1.69	0.00	0.23	177,043	25	92,663	25
Condensate	\$/bbl	45.09	11.92	0.00	0.00	33.16	49,529	7	25,039	7
Field Condensate (NGL)	\$/bbl	46.58	8.55	7.28	0.00	30.74	11,146	2	5,659	2
Butane	\$/bbl	13.52	5.39	0.00	0.00	8.13	22,075	3	10,842	3
Propane	\$/bbl	16.35	5.43	0.00	0.00	10.92	24,883	3	12,685	3
Ethane	\$/bbl	5.46	-0.08	0.00	0.00	5.54	13,130	2	7,001	2
Total: NGL	\$/bbl	16.50	4.13	0.29	0.00	12.08	120,765	17	61,226	16
Total: Oil+NGL	\$/bbl	29.73	3.92	9.55	0.00	16.27	539,045	75	280,427	75
Total: Oil Eq.	\$/boe	20.47	2.13	9.80	0.00	8.54	716,088	100	373,091	100

REVENUE BURDENS AND NET PRESENT VALUE SUMMARY

	Net Present Value Before Income Tax							
	Revenue Burdens (%)		Disc. Rate %	Prod'n Revenue M\$	Operating Income M\$	Capital Invest. M\$	Cash Flow	
	Initial	Average					M\$	\$/boe
Crown Royalty	11.6639	10.6054	0	425,109	388,085	121,466	266,619	11.67
Non-crown Royalty	1.5666	0.9269	5	311,167	300,723	106,160	194,562	8.52
Mineral Tax	0.0000	0.0000	8	265,767	260,015	98,328	161,687	7.08
			10	241,505	237,496	93,582	143,914	6.30
			12	220,854	218,021	89,175	128,846	5.64
			15	195,116	193,437	83,133	110,304	4.83
			20	162,267	161,672	74,368	87,304	3.82

Evaluator: Bellingham, Tracy K.
Run Date: July 15, 2020 14:21:58

APPENDIX I
CERTIFICATES OF QUALIFICATION

Tracy K. Bellingham
Dean A. Clarke
Qamar Hafeez
Gabriel Olivares
Miranda L. Stoffman
Sarah C. Taylor
Angie Wong
James T. F. Guy
John J. Hirschmiller
Dragan Ridic
Lia Carnevale

CERTIFICATION OF QUALIFICATION

I, Tracy K. Bellingham, Professional Engineer, 1920, 401 – 9th Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Ltd., which company did prepare a detailed analysis of Canadian oil and gas properties of Gain Energy Ltd. (the “Company”) on behalf of i3 Energy North Sea Ltd. The effective date of this evaluation is June 30, 2020.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of the Company or its affiliated companies.
3. That I attended the University of Calgary where I graduated with a Bachelor of Science Degree in Chemical Engineering in 2004; that I am a Registered Professional Engineer in the Province of Alberta; and, that I have in excess of thirteen years of experience in engineering studies relating to oil and gas fields.
4. That 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, the files of the Company, and the appropriate provincial regulatory authorities.



July 17, 2020

CERTIFICATION OF QUALIFICATION

I, Dean A. Clarke, Professional Engineer, 1920, 401 – 9th Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Ltd., which company did prepare a detailed analysis of Canadian oil and gas properties of Gain Energy Ltd. (the “Company”) on behalf of i3 Energy North Sea Ltd. The effective date of this evaluation is June 30, 2020.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of the Company or its affiliated companies.
3. That I attended the University of Regina and that I graduated with a Bachelor of Applied Science Degree in Industrial Systems Engineering in 1993; that I am a Registered Professional Engineer in the Province of Alberta; and, that I have in excess of twenty-six years engineering experience relating to oil and gas fields.
4. That 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, the files of the Company, and the appropriate provincial regulatory authorities.



July 17, 2020

CERTIFICATION OF QUALIFICATION

I, Qamar Hafeez, Professional Engineer, 1920, 401 – 9th Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Ltd., which company did prepare a detailed analysis of Canadian oil and gas properties of Gain Energy Ltd. (the “Company”) on behalf of i3 Energy North Sea Ltd. The effective date of this evaluation is June 30, 2020.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of the Company or its affiliated companies.
3. That I attended the University of Calgary and that I graduated with a Master of Engineering Degree in Petroleum Reservoir Engineering in 2004; that I am a Registered Professional Engineer in the Province of Alberta; and, that I have in excess of twenty-nine years experience in engineering studies relating to oil and gas fields.
4. That 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, the files of the Company, and the appropriate provincial regulatory authorities.



July 17, 2020

CERTIFICATION OF QUALIFICATION

I, Gabriel Olivares, Professional Engineer, 1920, 401 – 9th Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Ltd., which company did prepare a detailed analysis of Canadian oil and gas properties of Gain Energy Ltd. (the “Company”) on behalf of i3 Energy North Sea Ltd. The effective date of this evaluation is June 30, 2020.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of the Company or its affiliated companies.
3. That I attended the University of UNAM (Mexico) where I graduated with a Bachelors Degree in Chemical Engineering in 2006; that I am a Registered Professional Engineer in the Province of Alberta; and, that I have in excess of nine years experience in engineering studies relating to oil and gas fields.
4. That 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, the files of the Company, and the appropriate provincial regulatory authorities.

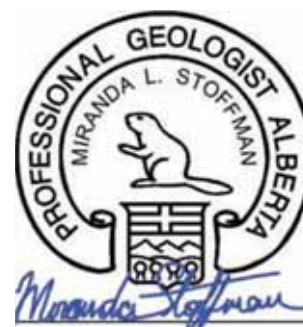


July 17, 2020

CERTIFICATION OF QUALIFICATION

I, Miranda L. Stoffman, Professional Geologist, 1920, 401 – 9th Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Ltd., which company did prepare a detailed analysis of Canadian oil and gas properties of Gain Energy Ltd. (the “Company”) on behalf of i3 Energy North Sea Ltd. The effective date of this evaluation is June 30, 2020.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of the Company or its affiliated companies.
3. That I attended the University of Calgary where I graduated with two Bachelor of Science Degrees in Geology and Applied and Environmental Geology in 2005; that I am a Registered Professional Geologist in the Province of Alberta; and, that I have in excess of twelve years of experience in geological studies relating to oil and gas fields.
4. That 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, the files of the Company, and the appropriate provincial regulatory authorities.

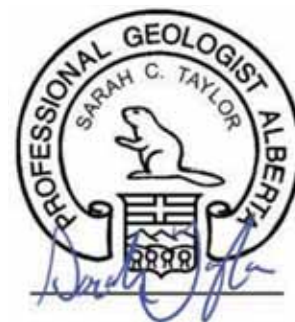


July 17, 2020

CERTIFICATION OF QUALIFICATION

I, Sarah C. Taylor, Professional Geologist, 1920, 401 – 9th Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Ltd., which company did prepare a detailed analysis of Canadian oil and gas properties of Gain Energy Ltd. (the “Company”) on behalf of i3 Energy North Sea Ltd. The effective date of this evaluation is June 30, 2020.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of the Company or its affiliated companies.
3. That I attended the University of Calgary where I graduated with a Bachelor of Science Degree in Geology in 2003; that I am a Registered Professional Geologist in the Province of Alberta; and, that I have in excess of sixteen years of experience in geological studies relating to oil and gas fields.
4. That 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, the files of the Company, and the appropriate provincial regulatory authorities.



July 17, 2020

CERTIFICATION OF QUALIFICATION

I, Angie H.W. Wong, Professional Engineer, 1920, 401 – 9th Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Ltd., which company did prepare a detailed analysis of Canadian oil and gas properties of Gain Energy Ltd. (the “Company”) on behalf of i3 Energy North Sea Ltd. The effective date of this evaluation is June 30, 2020.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of the Company or its affiliated companies.
3. That I attended the University of Calgary and that I graduated with a Bachelor of Science Degree in Chemical Engineering in (2009); that I am a Registered Professional Engineer in the Province of Alberta; and, that I have in excess of eleven years experience in engineering studies relating to oil and gas fields.
4. That 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, the files of the Company, and the appropriate provincial regulatory authorities.



July 17, 2020

CERTIFICATION OF QUALIFICATION

I, James T. F. Guy, Professional Engineer, 1920, 401 – 9th Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Ltd., which company did prepare a detailed analysis of Canadian oil and gas properties of Gain Energy Ltd. (the “Company”) on behalf of i3 Energy North Sea Ltd. The effective date of this evaluation is June 30, 2020.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of the Company or its affiliated companies.
3. That I attended the University of Calgary where I graduated with a Bachelor of Science Degree in Oil and Gas Engineering in 2012; and, that I am a Registered Professional Engineer in the Province of Alberta; and, that I have in excess of eight years experience in engineering studies relating to oil and gas fields.
4. That 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, the files of the Company, and the appropriate provincial regulatory authorities.



July 17, 2020

CERTIFICATION OF QUALIFICATION

I, John J. Hirschmiller, Professional Geoscientist, 1920, 401 – 9th Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Ltd., which company did prepare a detailed analysis of Canadian oil and gas properties of Gain Energy Ltd. (the “Company”) on behalf of i3 Energy North Sea Ltd. The effective date of this evaluation is June 30, 2020.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of the Company or its affiliated companies.
3. That I attended the Dalhousie University where I graduated with a Bachelor of Science Degree in Earth Sciences (First Class Honours) in 2013; and, that I am a Registered Geoscientist in the Province of Alberta and have in excess of eight years of experience in geological studies relating to oil and gas fields. I have also attended the Northern Alberta Institute of Technology and where I graduated with a Diploma in Geological Technology (Honours) in 2010.
4. That 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, the files of the Company, and the appropriate provincial regulatory authorities.

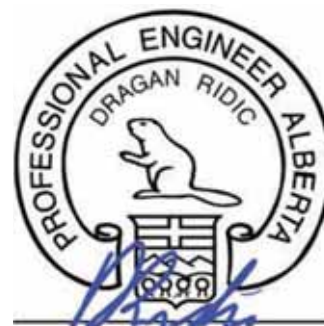


July 17, 2020

CERTIFICATION OF QUALIFICATION

I, Dragan Ridic, Professional Engineer, 1920, 401 – 9th Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Ltd., which company did prepare a detailed analysis of Canadian oil and gas properties of Gain Energy Ltd. (the “Company”) on behalf of i3 Energy North Sea Ltd. The effective date of this evaluation is June 30, 2020.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of the Company or its affiliated companies.
3. That I attended the University of Calgary where I graduated with a Bachelor of Science Degree in Oil & Gas Engineering in 2013; that I am a Registered Professional Engineer in the Province of Alberta; and, that I have in excess of seven years of experience in engineering studies relating to oil and gas fields.
4. That 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, the files of the Company, and the appropriate provincial regulatory authorities.



July 17, 2020

CERTIFICATION OF QUALIFICATION

I, Lia A. Carnevale, Engineer In Training, 1920, 401 – 9th Avenue S.W., Calgary, Alberta, Canada hereby certify:

1. That I am an employee of GLJ Ltd., which company did prepare a detailed analysis of Canadian oil and gas properties of Gain Energy Ltd. (the “Company”) on behalf of i3 Energy North Sea Ltd. The effective date of this evaluation is June 30, 2020.
2. That I do not have, nor do I expect to receive any direct or indirect interest in the securities of the Company or its affiliated companies.
3. That I attended the University of Calgary where I graduated with a Bachelor of Science Degree in Chemical Engineering in 2018; and, that I am an Engineer In Training; and, that I have in excess of three years of experience in engineering studies relating to oil and gas fields.
4. That 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, the files of the Company, and the appropriate provincial regulatory authorities.



Lia A. Carnevale, E.I.T.

July 17, 2020



July 16, 2020

Project 1202568

Ms. Tracy K. Bellingham
GLJ Ltd.
1920, 401 – 9th Avenue SW
Calgary, AB T2P 3C5

Dear Ms. Bellingham:

**Re: Evaluation of Gain Energy Ltd.
Competent Person's Report (CPR)
Effective June 30, 2020**

Regarding the evaluation of Gain Energy Ltd.'s ("Gain Energy") oil and gas reserves and independent appraisal of the economic value of these reserves as required by i3 Energy North Sea Ltd. (hereinafter referred to as "the Company") for potential acquisition reporting purposes, we herein confirm to the best of our knowledge and belief as of June 30, 2020, the effective date of the reserves evaluation, and as applicable, as of today, the following representations and information made available to you during the conduct of the evaluation:

1. Through our agreement with Gain Energy, Gain Energy has made available to you certain records, information, and data relating to the evaluated properties that we confirm as far as we are aware is, in all material respects, complete and accurate as of the effective date of the reserves evaluation, including the following:

- Accounting, financial, tax, and contractual data as of June 30, 2020;
- 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.

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, consistent in all material respects with that reported by Gain Energy.

3. We confirm that as far as we aware, Gain Energy has satisfactory title to all of the assets, whether tangible, intangible, or otherwise, for which ownership information has been provided, that is, in all material respects, complete and accurate.

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 Gain Energy's reserves and future net revenues.

5. With the possible exception of items of an immaterial nature, we confirm 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 that have been used over the past twelve



(12) months, 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, or as otherwise disclosed in accordance with securities laws, there have been no changes in the performance of evaluated wells in the three month period preceding the effective date, that would have a material impact on Gain Energy's oil and gas reserves and economic value.
- Except as disclosed to you, or as otherwise disclosed in accordance with securities laws, 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 reserves from the evaluated properties.
- If material changes of an adverse nature occur in the 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 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 reserves and economic value of these reserves that has not been disclosed to you.

Yours very truly,

i3 Energy North Sea Ltd.

A handwritten signature in black ink, appearing to read 'Moya Syfz', written over a horizontal line.

Chief Executive Officer

A handwritten signature in black ink, appearing to read 'A. H. H.', written over a horizontal line.

Chief Financial Officer

cc: Reserves Audit Committee



North Sea, Liberator Resources

Competent Person's Report Update 2020

For: i3 Energy plc & W H Ireland Limited

Jill Marriott, Peter Chandler, Keith Milne, Jackie Mullinor, Jerry
Hadwin

■ 2020

Registered office:
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East Wing First Floor, Admiral Court,
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+44 1224 629000
reservoir@tracs.com



This report was prepared in accordance with standard geological and engineering methods generally accepted by the oil and gas industry, in particular the 2018 SPE PRMS. Estimates of hydrocarbon reserves and resources should be regarded only as estimates that may change as further production history and additional information become available. Not only are reserves and resource estimates based on the information currently available, these are also subject to uncertainties inherent in the application of judgemental factors in interpreting such information. TRACS International Limited shall have no liability arising out of or related to the use of the report.

Status: Final
Date: [REDACTED] 2020
Revision: 02
Prepared by: Jill Marriott

Handwritten signature of Jill Marriott in black ink.

Project Manager Jill Marriott

Approved by: Jerry Hadwin

Handwritten signature of Jerry Hadwin in black ink.

Reviewer Jerry Hadwin

Handwritten signature of Jill Prabucki in black ink.

Authorised for release by Jill Prabucki

Qualification

TRACS International Limited was founded in 1992, and currently has over 40 petroleum engineers, geoscientists and petroleum economists working from two office locations. TRACS has extensive reserves and asset valuation experience and are recognised as industry reserve, risk and valuation experts.

The Liberator Resource evaluation was performed by senior TRACS staff with a combined 120+ years in the oil and gas industry. The team members all hold at least a bachelor's degree in geoscience, petroleum engineering or related discipline.

This assessment has been conducted within the context of the TRACS understanding of the effects of petroleum legislation, taxation, and other regulations that currently apply to the P.1987, Block 13/23d and P.2358, Block 13/23c. However, TRACS is not in a position to attest to property title, financial interest relationships or encumbrances thereon for any part of the appraised properties.

It should be understood that any determination of resource volumes, particularly involving petroleum developments, may be subject to significant variations over short periods of time as new information becomes available and perceptions change. This is particularly relevant to exploration activities which by their nature involve a high degree of uncertainty.

All volumetric calculations are based on independent mapping undertaken by TRACS using data provided to TRACS. The reservoir properties input to the volumetric calculations and the associated volume uncertainty ranges are based on TRACS experience over more than 20 years of performing evaluations, and the statement on risking in this report represents the independent view of TRACS.

The resource estimates presented in this report have been prepared in accordance with reserves definitions presented in the SPE's Petroleum Resources Management System ("SPE-PRMS" summary in Appendix A), and the risking of contingent and prospective resources has been done in accordance with the LSE/AIM Guidance note for Mining, Oil and Gas Companies - June 2009 ("LSE/AIM Guidelines").

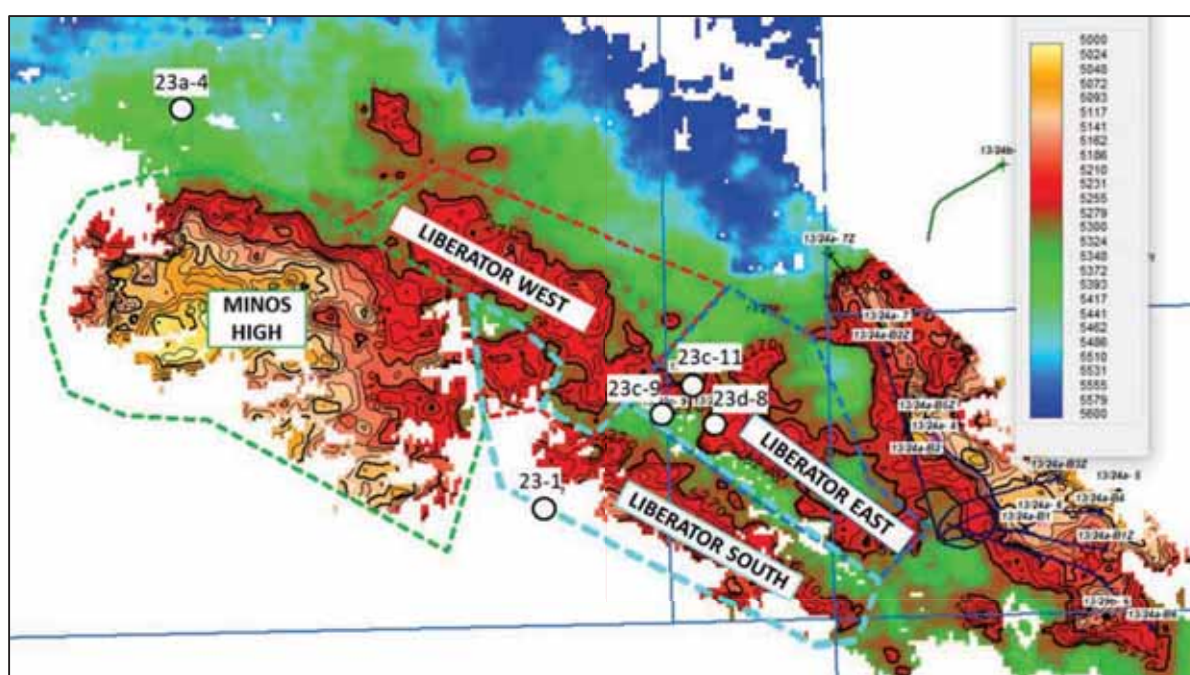
TRACS will receive a fee for the preparation of this report in accordance with normal professional consulting practices. This fee is not dependent on the findings of this report and TRACS will receive no other benefit for the preparation of this report.

Neither TRACS nor the individuals who are responsible for authoring this report, nor any directors of TRACS, have at the date of this report, nor have had within the previous two years, any economic or beneficial interest (present or contingent) in i3 Energy. TRACS, the individuals responsible for authoring this report and the directors of TRACS consider themselves to be independent of i3 Energy, its directors, senior management and its other advisers.

Executive Summary

TRACS International Limited (TRACS) was commissioned by i3 Energy North Sea Limited (i3 Energy) to complete a Competent Person's Report (CPR) assessing the resource potential of the Liberator East discovery and making an assessment of the likely range of resources that may be assigned to the Liberator West and Minos High areas. The Liberator area is located 120 km north-east of Aberdeen in the South Halibut Basin of the Moray Firth Province, within Licenses P.1987, UKCS Block 13/23d, and P.2358, UKCS Block 13/23c, which are held by i3 Energy on a 100% basis.

This CPR is as an update of a previous CPR generated by TRACS International Limited in 2019 for the Liberator field ahead of a planned field development. Prior to final FDP approval and sanction, i3 embarked on a three-well drilling campaign in 2019 which included two wells on Liberator and an exploration well on the nearby Serenity prospect. The well results on Liberator were not as expected and failed to find hydrocarbons. This CPR update addresses how the underlying subsurface evaluation and classification of resources have changed in light of the new well data and newly licensed seismic data. This CPR focuses on the proven oil accumulation around the Liberator discovery well, formerly referred to as Phase 1 East (now Liberator East). An assessment of the likely prospective resource range of the Liberator West and Minos High areas (previously called Phase 1 West and Phase 2) has also been made.



i3 current Liberator area designation

The report has been prepared to be included in an appendix to the AIM admission document prepared and published in accordance with the AIM Rules for Companies of the London Stock Exchange (LSE). This CPR was prepared in compliance with the "AIM Note for Mining, Oil and Gas Companies, June 2009", as published by the London Stock Exchange. Estimates of resources are prepared in accordance with resource definitions presented in the SPE's 2018 Petroleum Resources Management System ("SPE-PRMS"). The previous Development Plan is no longer valid and there are no development plans for Liberator at the current time. No economic value or development Risk Factor has been determined.

At this stage, the calculated resources for Liberator East have been classified as "Contingent, Development Not Viable". Commerciality of a development based on the reduced recoverable volumes remaining post appraisal drilling is unlikely and has not been established; no commercial Chance of Success or Risk Factor has been assigned pending increased clarity on potential appraisal of the Liberator West and Minos High structures. Subject to funding and potential farm-out activities, i3 Energy anticipate further 2020/21 appraisal drilling on the Serenity and Liberator accumulations. The appraisal programme would focus on Serenity (two wells plus side-tracks) with an additional two-well option for the Liberator West/Minos high area. A farm-out process is ongoing with parties in i3's data room.

Block	Licence	Asset	Holder	Operator	Interest	Status	Area (km ²)	Expiry
UKCS Block 13/23d	P.1987	Liberator East	i3 Energy	i3 Energy	100%	Production (Extant)	14.6	31/12/2038 (anticipated)
UKCS Block 13/23c	P.2358	Liberator West	i3 Energy	i3 Energy	100%	Production (Extant)	187.1	30/09/2042 (anticipated)
UKCS Block 13/23c	P.2358	Minos High	i3 Energy	i3 Energy	100%	Production (Extant)	187.1	30/09/2042 (anticipated)

Summary of licensing interest

Any future development of this asset will be subject to UKCS taxation system, which will amount to 40% (Corporation Tax plus Supplementary Charge). No royalty is applicable to this licence, hence net resources are equal to gross volumes.

The unrisked contingent resource volumes for Liberator East are shown below.

LIBERATOR EAST i3 Energy Working Interest 100%, Unrisked										
Asset	Resource Category	Company Share Gross Resources				Company Share Net Resources				Risk Factor
		Oil (MMstb)	Sales Gas (MMscf)	NGL (MMbbl)	BOE (MMbbl)	Oil (MMstb)	Sales Gas (MMscf)	NGL (MMbbl)	BOE (MMbbl)	
Liberator East, Block 13/23d	1C	1.1	0	-	1.1	1.1	0	-	1.1	N/A
	2C	5.3	2900	-	5.7	5.3	2900	-	5.7	
	3C	11.0	6500	-	12.1	11.0	6500	-	12.1	

Liberator East Resource summary

A preliminary estimate of likely range of Liberator West and Minos High Propsective resources is summarised below. Given the ongoing and immature nature of the technical work on these assets, the Low to High estimates are considered provisional.

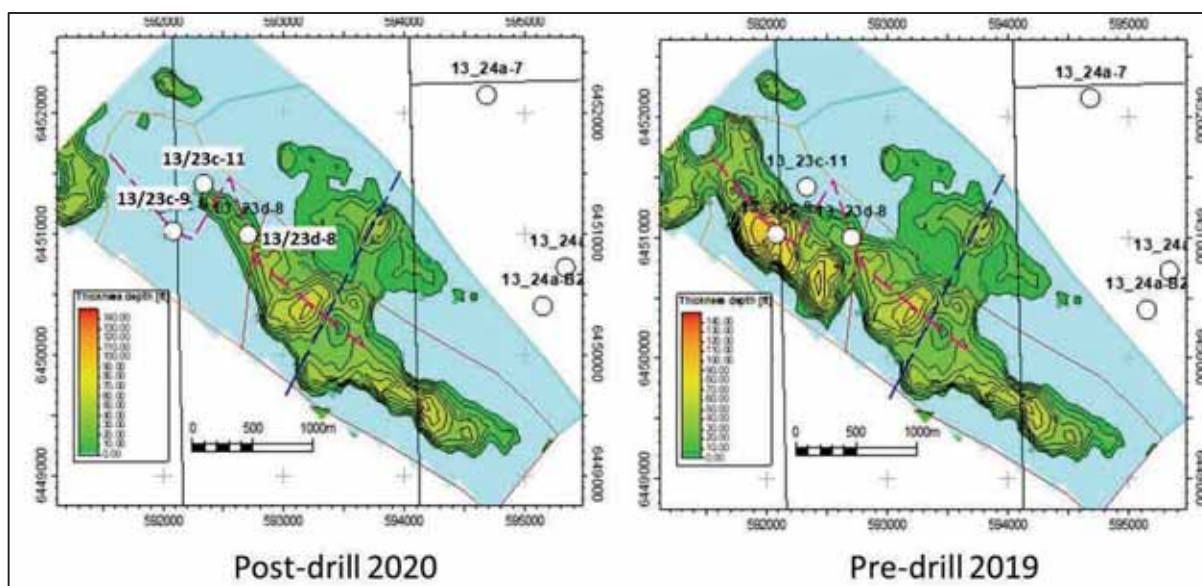
LIBERATOR WEST & MINOS HIGH i3 Energy Working Interest 100%, Unrisked										
Asset	Resource Category	Company Share Gross Resources				Company Share Net Resources				COSg
		Oil (MMstb)	Sales Gas (MMscf)	NGL (MMbbl)	BOE (MMbbl)	Oil (MMstb)	Sales Gas (MMscf)	NGL (MMbbl)	BOE (MMbbl)	
Liberator West Block 13/23c	1U	1	-	-	1	1	-	-	1	42 %
	2U	-	-	-	-	-	-	-	-	
	3U	52	-	-	52	52	-	-	52	
Minos High, Block 13/23c	1U	5	-	-	5	5	-	-	5	42 %
	2U	-	-	-	-	-	-	-	-	
	3U	165	-	-	165	165	-	-	165	

Liberator West and Minos High Provisional Resource estimate

Liberator East Evaluation Summary

Liberator was discovered in 2013 by well 13/23d-8, which encountered a 24 foot hydrocarbon column in a high porosity - high permeability reservoir sand, with 4 feet of gas underlain by 20 feet of oil. Reservoir and fluid properties are analogous to those found in the Blake Field. The OWC at 5270 ft tvdss was clearly established from logs and MDT pressure data. The reservoir is the Lower Cretaceous Captain Sandstone reservoir, which extends as a regional northwest to southeast fairway of deep marine turbidite sand channels and associated deposits in the Moray Firth Basin. In the Liberator area, we classify the Captain sands to be part of the K50.1 unit, comparable with the reservoir sands in the Blake field. The K50.1 sand is further divided into an Upper and Lower Captain sand in Liberator East. It is the Upper Captain sand in Liberator that is hydrocarbon-bearing, i.e. proven. Where penetrated to-date in the Liberator area, the Lower Captain sand is water-bearing and MDT pressures taken in the Liberator discovery well 13/23d-8 indicate this sand is isolated on a production timescale and not connected to the regional aquifer.

Of the two wells planned on Liberator in 2019; the first was intended as a pilot hole for the first producer and the second as an appraisal well on Liberator West. The pilot hole (13/23c-9) was drilled in September 2019 and targeted the shallowest part of the Liberator Phase 1 East structure in a small culmination west of the discovery well. 13/23c-9 failed to find the Upper Captain sands and instead encountered a water-bearing interval of lower Captain Sandstones, deep to prognosis. i3 Energy then licensed the MF18 seismic data, which appeared to provide clear insight into sand distribution between the 13/23c-9 well and the Liberator discovery well 13/23c-8, just 500 m away. It was evident that the 13/23c-9 well had missed the edge of the Upper Captain sand package and it appeared that the MF18 seismic volume was more reliable for well placement. In November 2019, a second attempt was made to drill the pilot hole based on the new seismic data. Though the Upper Captain Sandstone was present in the 13/23c-11 well, it came-in deep to prognosis and was also water-bearing.



Liberator East height of oil column maps

This report deals with 13/23c-9 and -11 well results, and what impact these wells and new seismic data have had on Liberator East post-drill. Based on an integrated assessment, the uncertainties identified in the previous volumetric assessment remain significant though depth uncertainty has proved by far the most important factor. Given that the 13/23c-9 well targeted the most crestal point on the pre-drill map, the negative impact of encountering water in this region is apparent from the new map.

Following review of the new MF18 seismic data, TRACS believe the original seismic interpretation (MF10) provided an acceptable view of the subsurface geometry over the majority of the Liberator East structure, once it was corrected at the 13/23c-9 well. The MF18 interpretation represents an alternative view which has been incorporated into the volumetric range.

TRACS updated STOIP realisations reflect the impact of the revised mapping. Consistent with the previous CPR, the depth uncertainty applied remains of the order of +/-25ft within 1km of well control but will increase in the Liberator West and Minos areas which are further away. Uncertainty realisations for

reservoir properties, and the impact of a possible gas cap were carried forward unchanged from the previous CPR; a small gas cap and was assumed in the low case only.

Case	STOIIP MMstb	GIIP Solution gas Bscf	GIIP Free gas Bscf	2019 CPR STOIIP for comparison
Low	5.7	1.8	1.9	18.4
Mid	19.5	6.6	0	38.0
High	33.3	11.9	0	58.2

Liberator East; Low, Mid and High Case In-Place volumes

The updated Mid Case STOIIP is comparable with the pre-drill Low Case STOIIP estimated for the 2019 Liberator CPR.

The reduced area and height of the oil column has significant implications on the development efficiency of Liberator East. The number of development wells required is reduced from two to one, and earlier water breakthrough from the underlying water is expected, reducing the recovery factor. The reservoir simulation model was updated to reflect the new structure and sand distribution and a single, crestal, horizontal well was tested in the model. Based on the results, the previously estimated low and mid recovery factors have been reduced by 5%, leaving the high estimate as before to reflect the remaining uncertainty in sand architecture and associated production performance.

Resource volumes have been evaluated deterministically by applying low, mid and high case recovery factors to the respective low, mid and high in-place volume estimates for oil and gas. This is consistent with the evaluation approach in which recovery factors were derived from deterministic (low, mid, high) reservoir models.

Case	Oil RF (%)	Gas RF (%)	Oil Resources (MMstb)	Gas Resources (Bscf)
Low	20	0	1.1	0
Mid	27	44	5.3	2.9
High	33	55	11.0	6.5

Liberator East; Low, Mid and High Case Recovery Factors and Resource Volumes

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1 Introduction

TRACS International Limited (TRACS) was commissioned by i3 Energy North Sea Limited (i3 Energy) to complete a Competent Person's Report (CPR) assessing the resource potential of the Liberator East discovery in accordance with resource definitions presented in the SPE's 2018 Petroleum Resources Management System ("SPE-PRMS": Appendix A – Summary of 2018 SPE Petroleum Resource Management System Classification). The report also includes a provisional assessment of the likely range of resources that may be assigned to the Liberator West and Minos High areas. The report has been prepared to be included in an appendix to the AIM admission document prepared and published in accordance the AIM Rules for Companies of the London Stock Exchange (LSE). This CPR was prepared in compliance with the "AIM Note for Mining, Oil and Gas Companies, June 2009", as published by the London Stock Exchange.

This CPR is as an update of a previous CPR generated by TRACS International Limited in 2019 for the Liberator field ahead of a planned field development (Ref 1). Prior to final FDP approval and sanction, i3 embarked on a three-well drilling campaign in 2019 which included two wells on Liberator and an exploration well on the nearby Serenity prospect. The well results on Liberator were not as expected and failed to find hydrocarbons. This CPR update addresses how the underlying subsurface evaluation and classification of resources have changed in light of the new well data and newly licensed seismic data. This CPR Update focuses on the proven oil accumulation around the Liberator discovery well, formerly known as Phase 1 East in the 2019 CPR but re-named Liberator East for the purposes of the current evaluation (Figure 1-1). Evaluation of other resource potential in the Liberator area is part of an ongoing evaluation and is reported separately in Section 8.

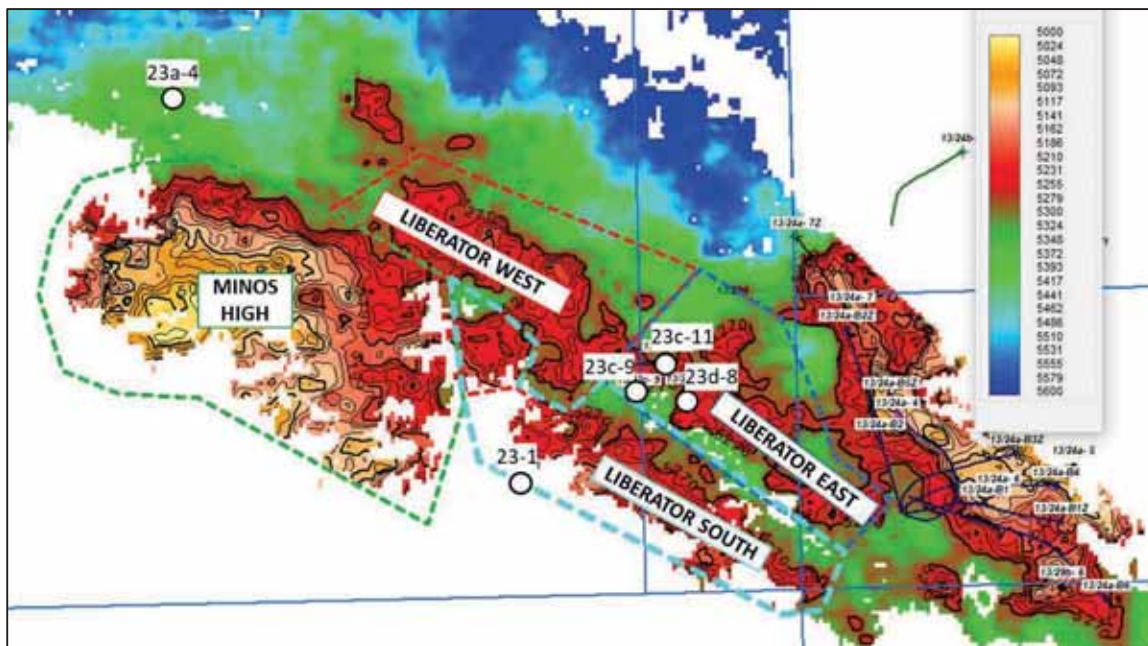


Figure 1-1 i3 current Liberator area designation

1.1 Overview

The Liberator discovery is located 120 km north-east of Aberdeen in the South Halibut Basin of the Moray Firth Province, within Licenses P.1987, UKCS Block 13/23d, and P.2358, UKCS Block 13/23c, which are held by i3 Energy on a 100% basis. The Liberator accumulation is situated between the Blake field to the north and Ross field to the south (Figure 1-2), both of which are hosted by the Bleo Holm FPSO.

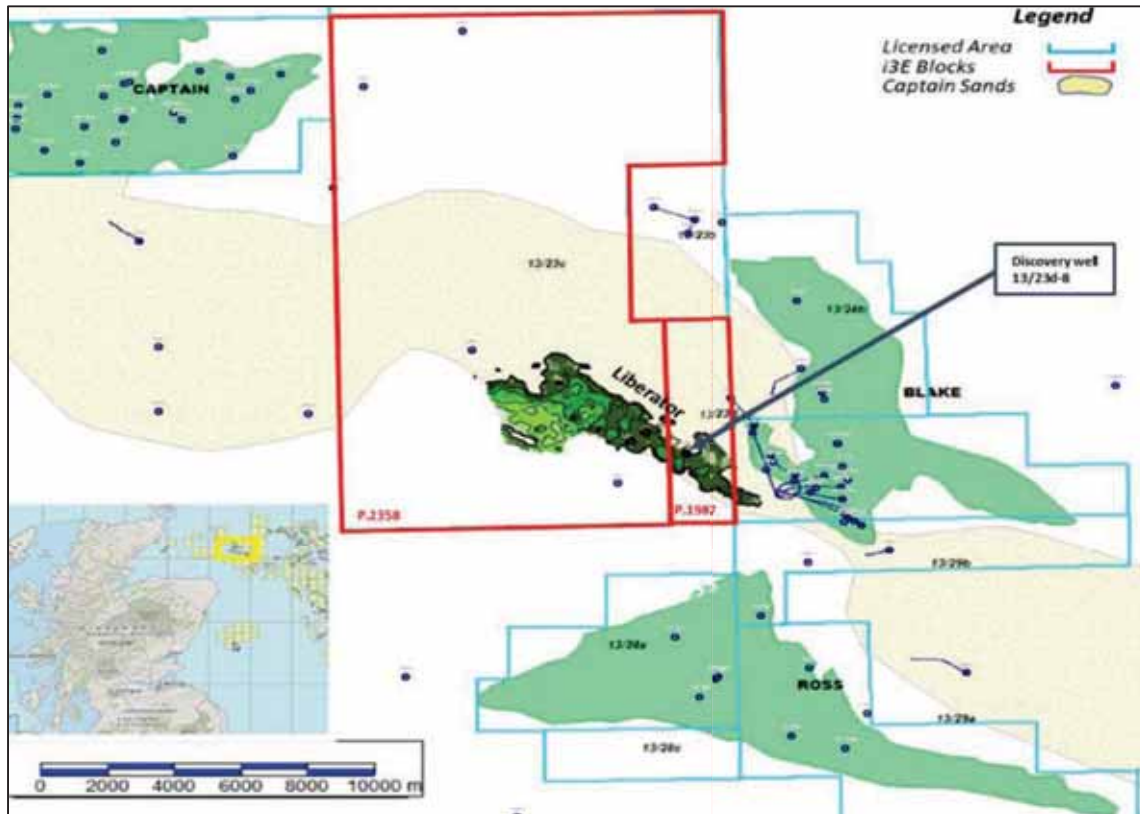


Figure 1-2 Liberator area location map

Liberator was discovered in 2013 by well 13/23d-8, which encountered a 24 foot hydrocarbon column in a high porosity - high permeability reservoir sand, with 4 feet of gas underlain by 20 feet of oil. Reservoir and fluid properties are analogous to those found in the Blake Field. The OWC at 5270 ft tvdss was clearly established from logs and MDT pressure data. i3 Energy interpret the Liberator accumulation to share a common OWC with the Blake field and the Serenity and Tain discoveries.

The reservoir is the Lower Cretaceous Captain Sandstone reservoir, which extends as a regional northwest to southeast fairway of deep marine turbidite sand channels and associated deposits in the Moray Firth Basin. In the Liberator area, i3 classify the Captain sands to be part of the K50.1 unit, comparable with the reservoir sands in the Blake field. The K50.1 sand is further divided into an Upper and Lower Captain sand in Liberator East. It is the Upper Captain sand in Liberator that is hydrocarbon-bearing, i.e. proven. MDT pressures taken in the Lower Captain Sand in the Liberator discovery well 13/23d-8 indicate that the Lower Captain water sand is isolated on a production timescale and not connected to the regional aquifer (Section 3.3 & Figure 3-7). There is uncertainty surrounding the depth and continuity of sand bodies across the Liberator area. The 2019 well results have stressed that this uncertainty has an impact at very short distances away from existing well control since the new wells are just 500 m away from the 13/23c-8 discovery well. In well 13/23a-4, some 8 km away in the west, the Captain sands are wet (below the 5270 ft OWC) and capped by a thick shale. To the southwest the sands pinch out and are completely absent in 13/23-1. It is possible that the sands encountered in 13/23a-4 are different to those observed in the Liberator East discovery area.

Prior to the 2019 drilling campaign, i3 Energy had matured the Liberator project to "Define" stage, with final FDP approval and project sanction expected Q3 2019. A phased development was planned. Phase 1 consisted of a two to three well subsea development tied back to the Ross DCA manifold and Bleo Holm FPSO. Figure 1-3 summarises the 2019 CPR map, with area designations consistent with the phase of development but also the confidence in how far away from the discovery well the results could be extrapolated northwestwards:

- Phase 1 East. The area around the discovery well extending to the saddle northwest of the well. Economically recoverable resources from this area, associated with a committed development plan, were classified as Reserves. Resources produced beyond the 2024 vessel certification were classified as Contingent Resources.

- Phase 1 West. Immediately to the NW of the Phase 1 East area continuing to a saddle just west of the A3 Appraisal well location. Resources in this area were classified as Discovered, Contingent Resources.
- Phase 2. The region around 23a-4. This area was considered undiscovered; resources are Prospective with a geological chance of success of 56%.

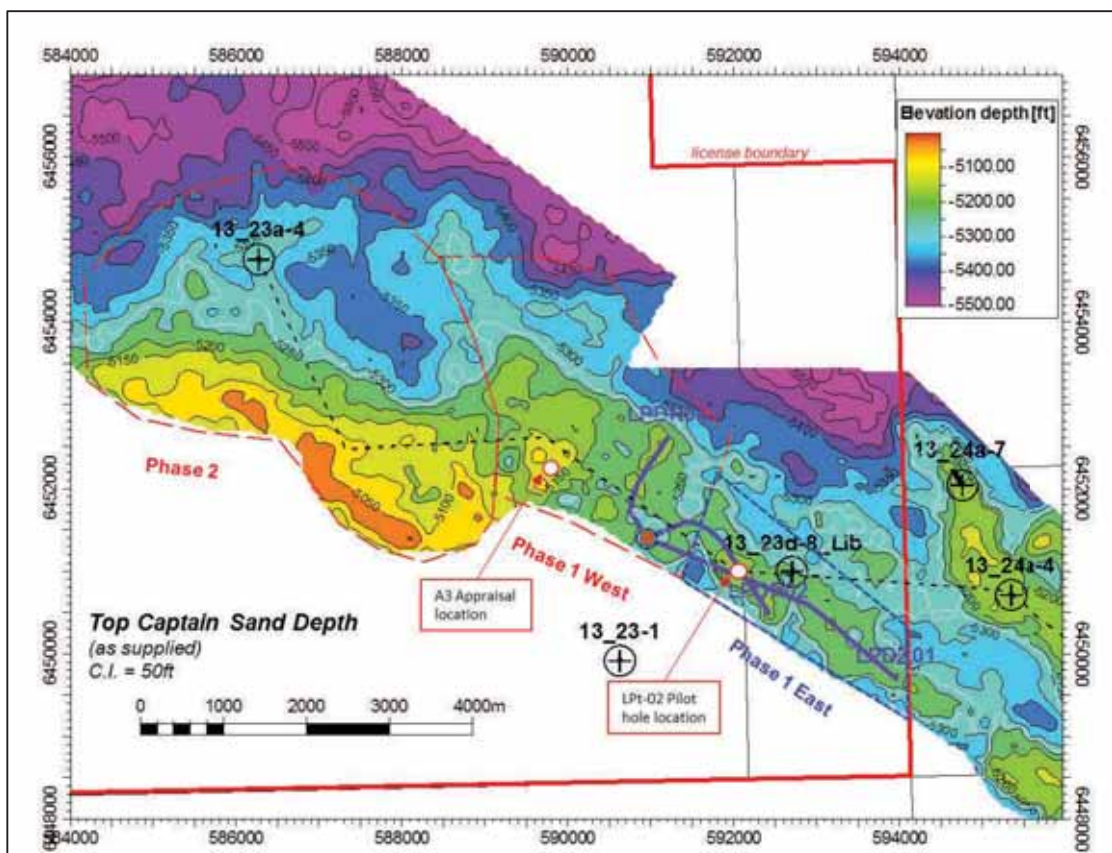


Figure 1-3 2019 development layout, appraisal well locations and area designations

Of the two wells planned on Liberator in 2019 in Phase 1; the first was intended as a pilot hole for the first producer (LP02) and the second as an appraisal well (A3) on a secondary high to the west. The pilot hole (13/23c-9) was drilled in September 2019 and targeted the shallowest part of the Liberator Phase 1 East structure in a small culmination west of the discovery well. 13/23c-9 failed to find the Upper Captain sands and instead encountered a water-bearing interval of Lower Captain Sandstones, deep to prognosis. i3 Energy then licensed the MF18 seismic data, which appeared to provide clear insight into sand distribution between the 13/23c-9 well and the Liberator discovery well 13/23d-8, just 500 m away. It was evident that the 13/23c-9 well had missed the edge of the Upper Captain sand package and it appeared that the MF18 seismic volume was more reliable for well placement, as illustrated in Figure 1-4.

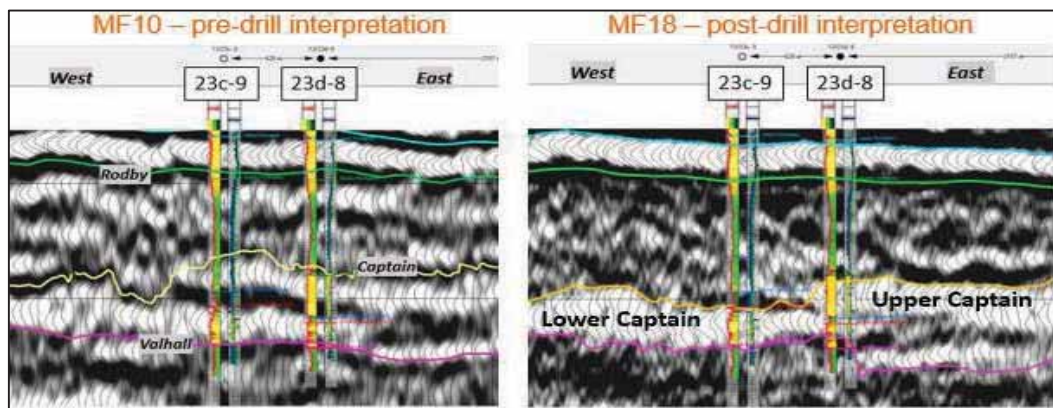


Figure 1-4 Seismic character close to the 13/23c-9 well; comparison of MF10 and MF18

There was a pause in the Liberator drilling campaign whilst the Serenity discovery well 13/23c-10 was drilled (October 2019). In November 2019, the rig returned to the Liberator area when a second attempt was made to drill the pilot hole based on the new seismic data. The plan to appraise the Liberator Phase 1 West area in the 2019 drilling campaign was shelved. Though the Upper Captain Sandstone was present in the 13/23c-11 well, it came-in deep to prognosis and was also water-bearing.

A first step in the updated CPR assessment was to determine how the two new well results and newly licensed seismic have impacted the resource classification. A revised resource classification was made based on the new well data, with reference to the revised i3 area designations illustrated previously in Figure 1-1:

- **Liberator East** (formerly Phase 1 East). The area including the discovery well (23d-8) and two latest Liberator wells (23c-9 and -11). Resources were re-classified as Discovered; Contingent Resources. Revised resources estimates (Section 7) are unlikely to be commercially viable, though this CPR does not include an economic evaluation.
- Liberator West (formerly Phase 1 West). Resources in this area were re-classified as undiscovered, Prospective Resources. It is unclear whether the sands in this area are Upper or Lower Captain (or both). Hydrocarbons are yet to be proven in Lower Captain sands.
- Minos High (formerly Phase 2). The region around 23a-4. This area remains classified as Undiscovered; Prospective Resources.
- Liberator South. Not yet evaluated by TRACS but classified as Undiscovered; Prospective Resources.

This CPR presents an updated resource evaluation for **Liberator East** and provides likely prospective resource ranges for Liberator West and Minos High, presented in Section 8, which will be matured through ongoing analysis of the newly-available seismic and well data.

1.2 Licence history, burdens and current status

i3 Energy hold a 100% interest in P.1987 licence, Block 13/23d and P.2358 licence, Block 13/23c. Licence P.1987 was awarded in the 27th round to Dana in 2013 on a 100% basis. The initial term was for four years commencing 1st January 2013, with a one well commitment. This commitment was fulfilled in 2013 with the drilling of the Liberator discovery well, 13/23d-8. i3 Energy acquired the licence from Dana in 2016. OGA approval was confirmed on December 8th 2016 with an obligation to "secure approval of a Field Development Plan or provide evidence of funds to drill a well by 31st December 2018."

License P.2358 was awarded to i3 Energy on October 1st 2018 following a successful bid in the 30th offshore licence round; the work programme for the initial license term of two years consists of a single well; this obligation has been met with the drilling of wells 13/23c-9 (Liberator), 13/23c-10 (Serenity) and 13/23c-11 (Liberator) in Q3/Q4 2019. The initial obligation attached to licence P.1987 for FDP approval was extended to allow for an optimised development of Liberator, which spreads across both licences.

The Liberator East discovery lies almost entirely within Licence P. 1987, though a portion (estimated 17%) extends outside the licence boundary to the southeast into the Blake partners acreage. No unitisation agreement exists relating to this extension, however based on this evaluation, the volumes are minor and in any case presently not viable for development.

Block	Licence	Asset	Holder	Operator	Interest	Status	Area (km ²)	Expiry
UKCS Blocks 13/23d	P.1987	Liberator East	i3 Energy	i3 Energy	100%	Production (Extant)	14.6	31/12/2038 (anticipated)

Table 1-1 Summary of licensing interest

1.3 Future activity

Subject to funding and potential farm-out activities, i3 Energy anticipate further 2020/21 appraisal drilling on the Serenity and Liberator accumulations. According to public statements, i3 Energy anticipate an appraisal programme that would focus on Serenity (two wells plus side-tracks) with an additional two-well option for the Liberator West/Minos high area. A farm-out process is ongoing with parties in i3's data room. No firm development plans exist at present for Liberator.

1.4 Data available

Data provided for the assessment included raw, and interpreted data, covering all required disciplines including

- Seismic data and interpretation extending over Liberator area and including the Blake field.
- Well data for exploration wells, the new Liberator wells, Liberator discovery well and selected Blake field wells.

Details of data provided are described in subsequent chapters. There were no data gaps identified which could impede TRACS in carrying out the assessment in accordance with PRMS. i3 were forthcoming with all requests for further information and clarifications.

1.5 Key uncertainties

Key subsurface uncertainties identified for the Liberator East discovery in the previous CPR (Ref 1) are listed below and are reflected in the range of input parameter values selected for volumetric estimation:

- Depth uncertainty on a low relief structure
- Fluid distribution; size and presence of gas cap
- Saturation height distribution
- Mobility of water within the transition zone
- Relative permeability
- Aquifer strength

Input assumptions for updated in place and recoverable resources are documented in further detail in subsequent chapters.

Of the uncertainties highlighted in the previous CPR, it is clear from the new well and seismic data that reservoir pick and depth uncertainty proved to be critical. There is inherent difficulty in accurately defining not only the top reservoir depth but also mapping of sand body continuity with the Captain Sandstone package, even at short distances away from well control. Though the new MF18 seismic data better imaged the sands in the -9 well, it failed to do so in the -11 well, meaning that no seismic survey is consistently reliable.

2 Geology Overview

2.1 Wells considered

The Liberator discovery well 13/23d-8 lies 2km west of the northern part of the Blake Field. Appraisal wells 13/23c-9 and 13/23c-11 were drilled some 500m to the NW of the discovery well. Other wells considered in the evaluation include exploration wells 13/23a-4, some 7km to the NW and 13/23-1 some 2km to the SW, off the axis of deposition. Some of the Blake Field development wells have also been included (Figure 2-2).

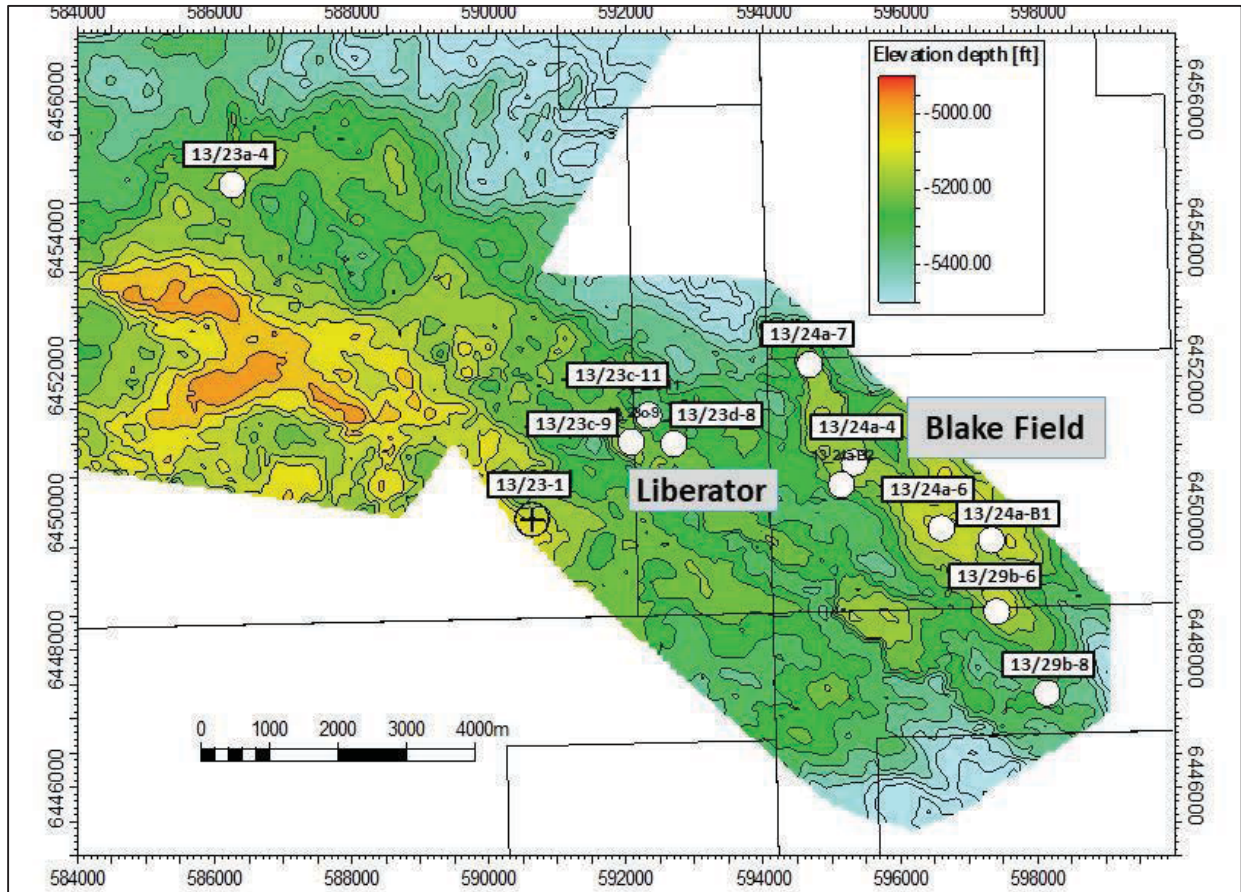


Figure 2-1 Map of Liberator-Blake area

2.2 Well correlation

The well correlation starts by picking the reliable top Rodby formation. This is a calcareous shale, often reddish coloured, covering the entire area and ranges in thickness from ~400ft at Liberator to ~250ft at the Blake Field. Below the Rodby Formation is the Carrack Formation, comprising non-calcareous shale with high GR, soft Density-Neutron and sonic response (20-50ft thick in the Liberator area). Above this is a thin unit (7-20ft thick) with harder sonic response and lower GR. This is interpreted as a silt, and very fine sand was observed in cuttings in 13c-9 ("Carrack Sandy"). Throughout the Rodby and Carrack Formations the GR, Density-Neutron and sonic logs display very similar responses in all wells (Figure 2-2). In the Liberator area, we classify the Captain sands to be part of the K50.1 unit, comparable with the reservoir sands in the Blake field. The K50.1 sand is further divided into an Upper and Lower Captain sand in Liberator East. Tracs are confident that this is a suitable correlation.

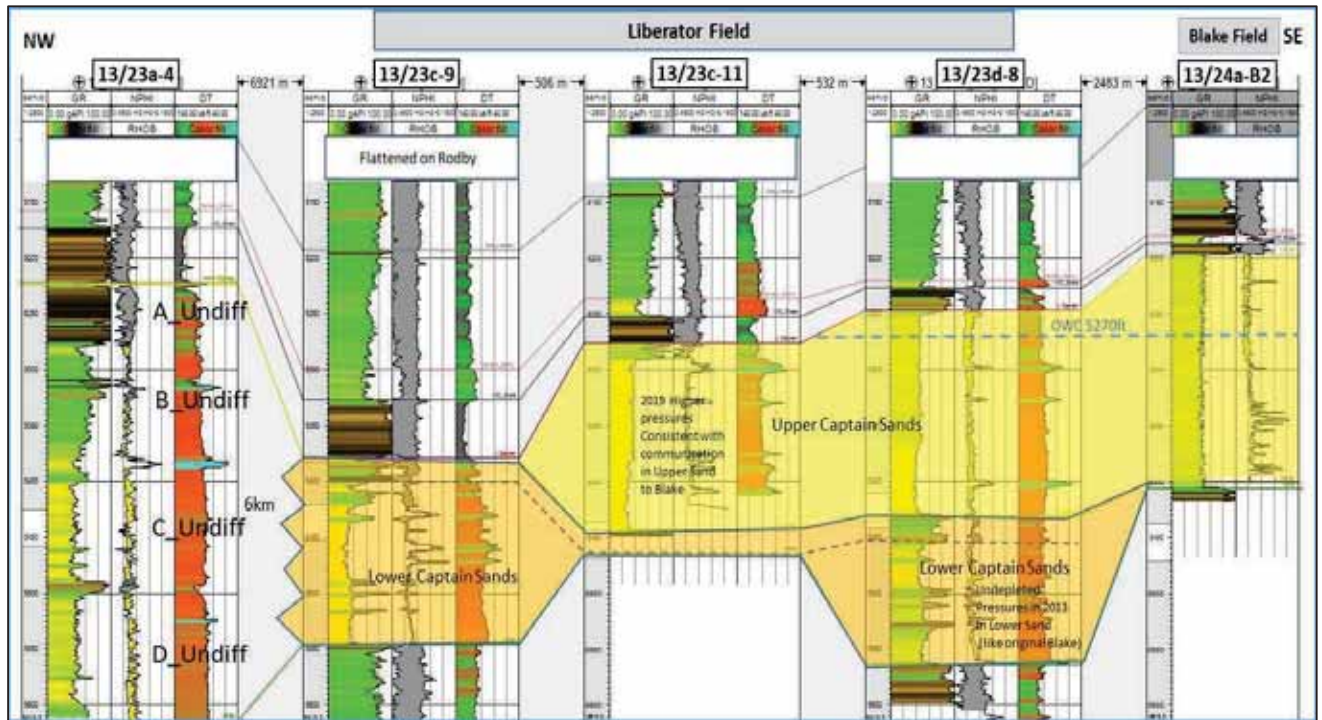


Figure 2-2 Well correlation panel

Some 7km to the NW of Liberator is the exploration well 13/23a-4. This comprises ~200ft of Rodby Formation with the Carrack shale ~40 ft thick. The shale is interpreted to be the top of the K50 time sequence, but there is no biostratigraphic data available to confirm this age. In this well the "Captain" interval can be subdivided into 4 units:

- A_undiff upper silt (non reservoir)
- B_undiff upper silty sand
- C_undiff middle blocky sand
- D_undiff lower blocky sand (lower porosity)

The exact correlation of these informal units with Liberator or Blake cannot be determined from wireline logs.

To the SW of Liberator lies the well 13/23a-1. There is no reservoir in this well, only Rodby and Valhall Formations are present. There is obviously a pinch-out of the Liberator sands in this direction.

The top reservoir sand can be clearly observed on logs. The top sand is thought to mostly coincide with the K50 sequence stratigraphic time line, although it is not known how much biostratigraphic data has been used to draw this conclusion. It occurs at various depths below the Rodby pick, being quite shallow in the Blake Field (~200ft) and deeper in the Liberator well (350ft). To the SE along the axis of the channel system, the sands occur about 350ft below Rodby, similar to Liberator. The sands are thicker to the SE, 500ft in 13/23b-8. Over the area, the top sand occurs at approximately 50% of the isochore from the Rodby to the Valhall.

Upper Captain Sands in the Liberator discovery well 13/23d-8, drilled in 2013, showed pressure depletion consistent with regional pressure drawdown in the Captain Sand aquifer (Section 3.3 & Figure 3-7). The Lower Captain Sands were seemingly at virgin pressure, consistent with Blake field pre-production pressures taken in 1998. On a production timescale therefore, the Lower Captain sand is not in communication with Upper Captain sand in the Liberator East area.

Formation pressures were also taken in the recent 13/23c-11 well and these showed an increase in aquifer pressure relative to Blake pre-production data, presumably due to communication with injectors in the Blake Field via the regionally connected aquifer. This is consistent with the 13/23c-11 Captain sand being correlated as the Upper Captain sand.

2.3 Reservoir geology

The sediments are of Lower Cretaceous age. At various times within the Aptian, thick sandstone units are developed from the Captain Field to the Blake Field and further South to the Cromarty Field. The Captain sands were deposited as massive turbidites in a NW-SE trending submarine channel system, over 100km long. Massive sands are very thickly developed in the Blake field. In the NW of the area of interest, well 13/23a-4 is in the axis of sand deposition, but to the SW, 13/23-1 is on the margin and has no sand, just a relatively thin shale.

Based on well and seismic data, together with analogue information, it is clear that more than one sand channel occurs in the wider area of interest. The dimensions of individual sand channels (width, length, thickness) are expected to be km scale, but there is uncertainty surrounding the correlation and continuity of sand bodies and the net-to-gross distribution.

Within the Liberator East area itself, it has been recognised from drilling the appraisal/pilot wells in 2019 that the Captain sand can be clearly subdivided into 2 sand bodies, informally named upper and lower. The lower sand was deposited closer to the SW margin of the channel system and the upper sand was deposited further towards the Blake Field, typical of submarine turbidite channels.

The main facies comprises high-density turbidites channels. Minor facies include silty sands and shales, probably representing off-axis lower energy deposition. A more widespread silty shale occurs at the top of the Lower Captain sand in the Liberator east area. This probably represents a time with no sand deposition allowing background distal turbidites to briefly blanket the area. The lower Captain sands contain more thin silt interbeds, which probably represent turbidite bed tops. This infers there are about 5 sand beds in the Lower Captain sand and possibly only 2 huge beds in the upper sand.

Individual sand bodies will extend from NW-SE for several km so reasonable continuity is expected from 13/23d-8 to the SE, following the same seismic event.

In the wider area it is possible that one sand channel can cut into another, as seen in the Captain field. However this has not happened significantly in the Liberator east area as the shale at the top of the Lower sand has not been disturbed - it is a pressure baffle.

There are several thin intervals of carbonate cemented sands which reduces porosity severely in about 2 to 5% of the reservoir. Based on analogue core information, these are likely to be large nodules and will not form large-scale baffles.

The bulk of the sandstones in the area including the Liberator well are well sorted, clean with high porosity (0.25 to 0.28) and permeability (1 to 2 Darcies).

2.3.1 Fluid Contacts

The Blake Field appears to share a common OWC with the Liberator discovery, at 5270ft. Since the latest two Liberator wells were water-bearing, they do not provide additional information about fluid contacts, though the results highlight that Liberator East oil pool is likely to be separate from potential accumulations further west in Liberator West or the Minos High.

In the Liberator discovery well, an interval of about 25ft of oil saturation occurs below the present OWC. This feature is similar to the wells in the Blake Field, being interpreted as a paleo-oil zone and is not counted in the STOIP.

The 4ft of gas seen in the well could be interpreted in several ways: 1. Primary or secondary gas cap across Liberator, or 2. Local tiny trap within 100m of the well (either primary or secondary). Evidence from the Blake Field was considered in the previous 2019 CPR by comparing seismic amplitude response with gas column height. The previous conclusions are carried forward to this CPR; since there is no clear seismic amplitude response over the Liberator East, the occurrence of a significant gas cap across the Liberator area is judged to be unlikely.

3 Petrophysical Evaluation

The petrophysics input for this CPR is to review the well logs and core data to support the range of reservoir properties and fluid contacts. The petrophysical data, including log analysis, was supplied as an LR Interactive Petrophysics (IP) database. Supporting data was supplied as summary presentations and the draft FDP.

The Liberator discovery is very close to the Blake field and is in the same formation as described in Sections 2.2 & 2.3. Data from wells in the region, including Blake, was initially included in order to understand the variations, and consistencies, in properties regionally. Subsequently the three Liberator wells have been compared with each other.

3.1 Data availability and quality

The original IP project was made up of the Liberator discovery well 13/23d-8, Blake wells and one exploration well to the west of the Liberator structure (13/23a-4). Full log analysis and interpretation parameters were included in the IP project with all input parameters and methods applied for the analysis. The two 2019 Liberator wells (13/23c-9 and -11) have been included in updated IP project from the client.

Well	Field
13/23a-4	Exploration
13/23d-8	Liberator
13/23c-9	Liberator
13/23c-11	Liberator
13/24a-4	Blake
13/24a-6	Blake
13/24a-7	Blake
13/24a-B1	Blake
13/24a-B2	Blake
13/24a-B3	Blake
13/24a-B4	Blake
13/24a-B5	Blake
13/24a-B7	Blake
13/29b-6	Blake
13/29b-8	Blake

Table 3-1 Liberator area wells

Additional data necessary for log analysis was included in the IP project including temperatures and depth in TVD and TVDSS. Core porosity and permeability are included in the IP project for Blake well 13/24a-4. MDT data was also supplied and is included in the discussion on fluid contacts.

3.2 Petrophysical interpretation

A consistent set of petrophysical interpretation has been supplied for review. The log analysis was found to be consistent with the quoted inputs and is supported by other data including porosity from core analysis and fluid pressure gradients from pressure data. The review resulted in verification of the log interpretation provided, which was then used as input going forward.

The Lower Cretaceous Captain Sand reservoir in Liberator and Blake is a high net-gross, high porosity and permeability sandstone as illustrated in Figure 3-1 CPI for 13/23a-4, which shows CPI's for the nearby exploration well and the Liberator discovery well.

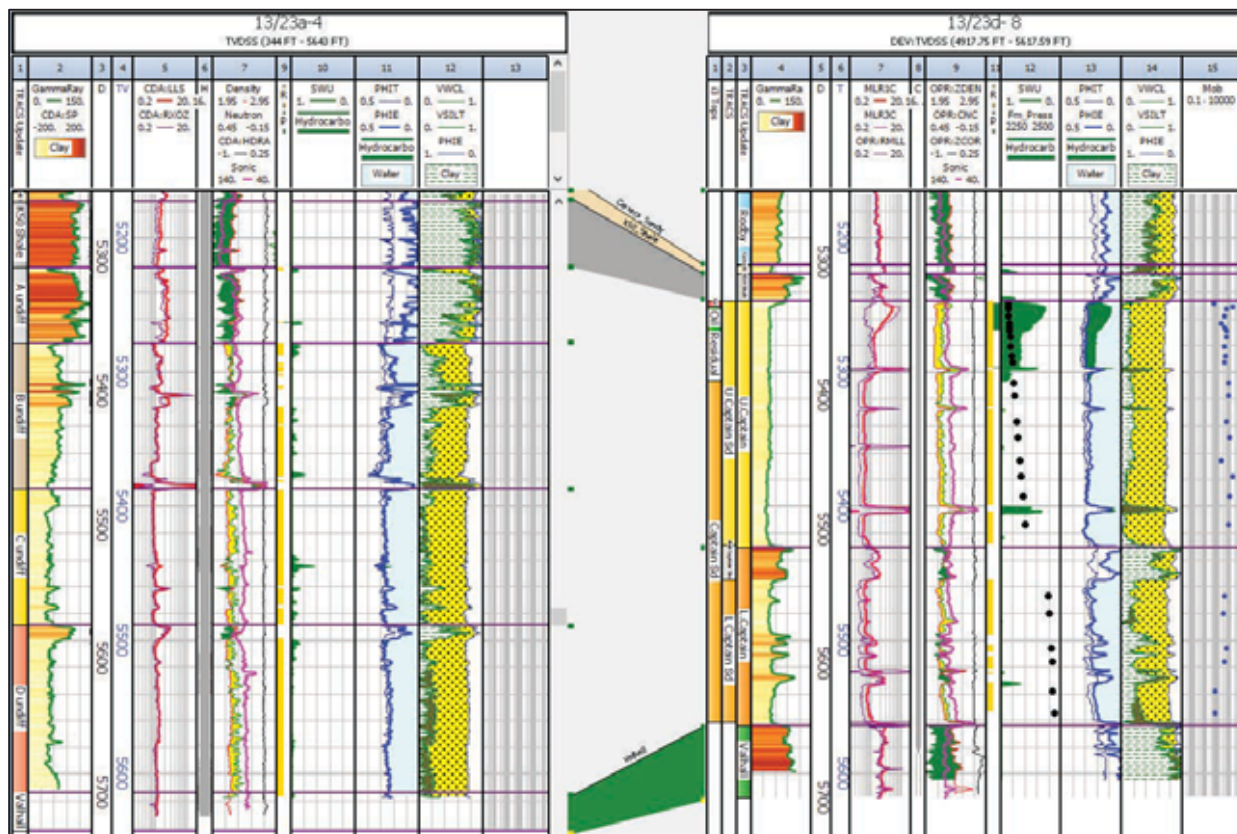


Figure 3-1 CPI for 13/23a-4 and 13/23d-8

The discovery well 13/23d-8, encountered a thick Captain sand with an Upper Captain sand separated from the Lower Captain sand by the Mid Captain shale. The well found a small gas column overlying oil.

Well 13/23a-4 found water-bearing Captain sands overlain by a thick K50 shale (which is not present in 23d-8). The sands are undifferentiated in this well and are divided into units by quality. Units C_Undiff and D_Undiff are the good quality sands and the properties from these units have been compared to the Liberator wells. There is a WUT at 5,278ft TVDss at the top of the Captain sand.

The two subsequent wells 13/23c-9 and 13/23c-11, drilled in 2019, both penetrated Captain sands deeper than the regional contact of 5,270ft TVDSS. The sands in both wells fit with this OWC since they are water-bearing (Figure 3-2). They confirm the presence and quality of the Captain sands on the Liberator structure but as described in geophysics section [Section 4] the depths of the Captain sands are uncertain.

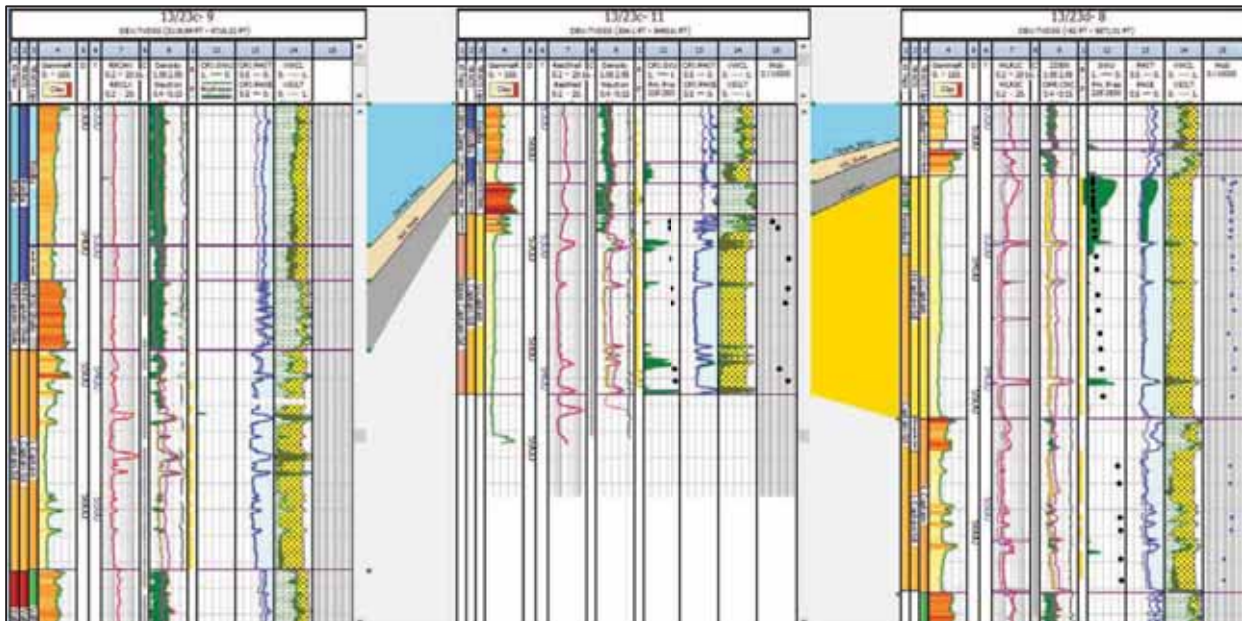


Figure 3-2 Liberator wells; logs and CPI

For reference, the formation names and colours are summarised in Figure 3-3:










Carrack_Sandy	
K50_Shale	
A_undiff	
B_undiff	
C_undiff	
D_undiff	
Valhall	
U.Captain	
L.Captain	

Figure 3-3 Liberator formation naming and colour fill

3.2.1 Vclay

Clay volume was calculated from the GR log and from the Neutron/Density (N/D) cross plot method. The results from the two methods are similar and the minimum of the two was used as input going forward.

3.2.2 Porosity

Porosity was calculated using the combination of Neutron and Density logs. Core analysis in Blake well 13/24a-4 is a close match to the porosity calculated from logs (Figure 3-4).

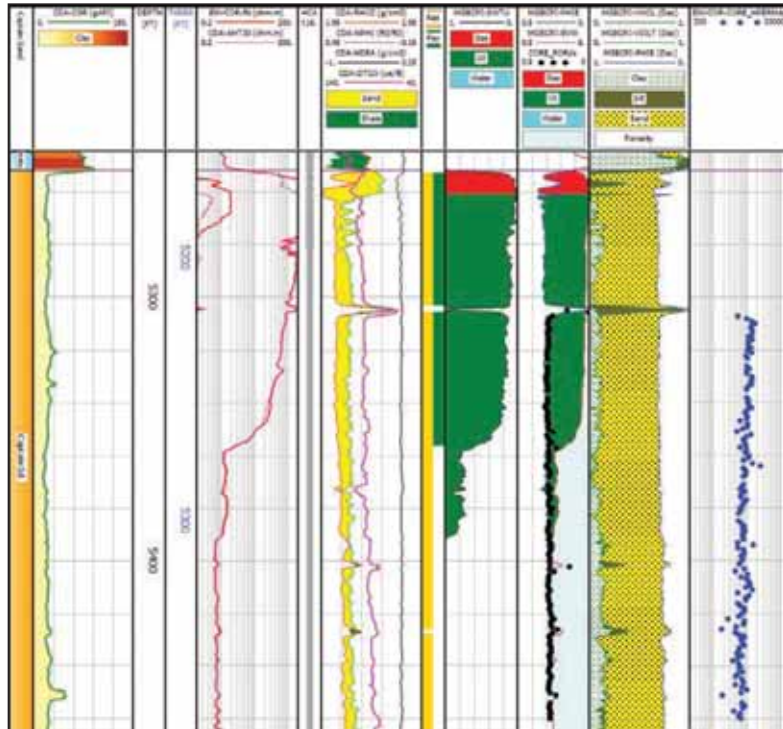


Figure 3-4 Porosity from core analysis in Blake well 13/24a-4 in close agreement with porosity from logs

3.2.3 Water saturation

Water saturation (S_w) has been calculated using the Archie equation of the form:

$$S_w = \sqrt[n]{\frac{a \times R_w}{\Phi^m \times R_t}}$$

Where:

- Φ is porosity (dec).
- R_w is water resistivity at reservoir temperature (for salinity of ~58kppm in this case)
- R_t is the true resistivity (often the deep resistivity log)

Constants a , m and n have been given the default values of 1, 2 and 2 respectively in the absence of SCAL data.

3.2.4 Permeability

As has been seen with porosity, permeability from core also varies little. A porosity/permeability graph was presented in the Liberator FDP and is reproduced in Figure 3-5 with the core data from 13/24a-4.

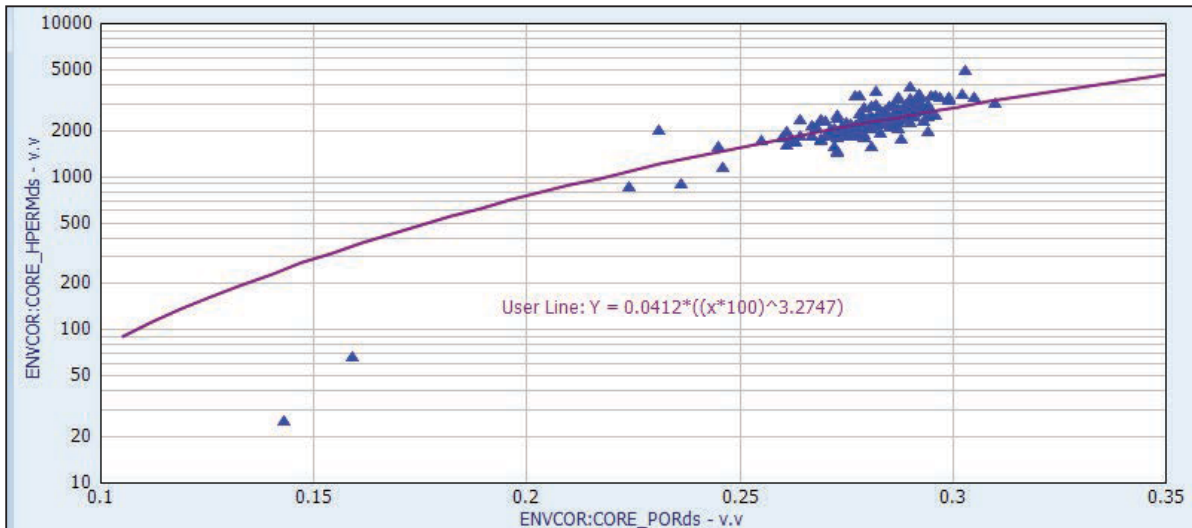


Figure 3-5 Porosity v Permeability from core in Blake well 13/24a-4

This function is fit for purpose and was used for the dynamic work.

3.2.5 Reservoir cut-offs

Figure 3-2 and Figure 3-4 illustrate that the net to gross and porosity in the Captain sand is consistently very high. The average properties calculated are quite insensitive to the cut-offs but a porosity cut-off of 20% was used along with a 50% Vsh cut-off to remove any non-net intervals.

3.3 Fluid contacts

The fluid contacts in Liberator are clearly defined from logs, pressures and fluid samples. There are some similarities with the oil-water contact depth for Blake but Liberator was expected to be a separate accumulation. The gas-oil contact seen in the Liberator well is significantly different to Blake (see Figure 3-6). The contacts in the regional wells consistently demonstrate a paleo-contact with 20% to 30% oil in the interval below the current oil-water contact. The thickness of the interval between the paleo and current oil-water contact varies illustrating some change in the structure over geological time. There is also a clear gas cap in some of the wells with the gas-oil contact showing some variation by location. The Liberator current oil-water contact from 13/23d-8 is close to the 5270ft TVDSS being carried in work to date. The Captain sands in 13/23c-11 do extend into the paleo contact depth range but do not encounter this feature.

The oil-water contact in the wells around the Liberator region is illustrated in Figure 3-6.

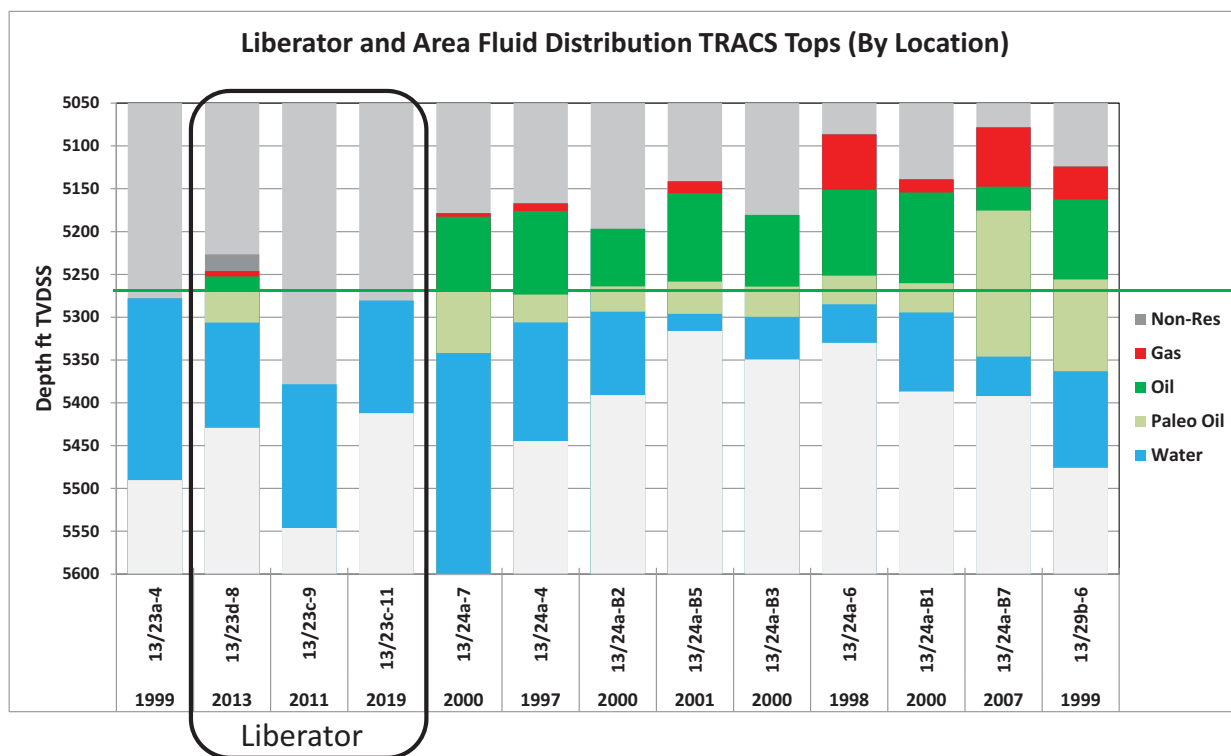


Figure 3-6 Fluid distribution in the Liberator region

The oil-water contact of 5270ft TVDSS is also supported by MDT data from the Liberator well 13/23d-8 from 2013 (Figure 3-7) though a pressure offset of 70 psi in the Upper Captain sand indicates some interference and depletion from the Blake production. Pressure data from the Upper Captain sands in 21/23c-11 in 2019 indicates that the regional pressure is now overpressured compared to Blake pre-production and is seemingly on the same regional aquifer gradient as the Serenity well pressure data (13/23c-10) acquired about a month earlier.

Pressure data from the Lower Captain sands in 13/23d-8, however, were close to the original pressure in the water leg for the Blake wells.

Gas observed in 13/23d-8 could be a result of local depletion trapped in a small culmination at the well location.

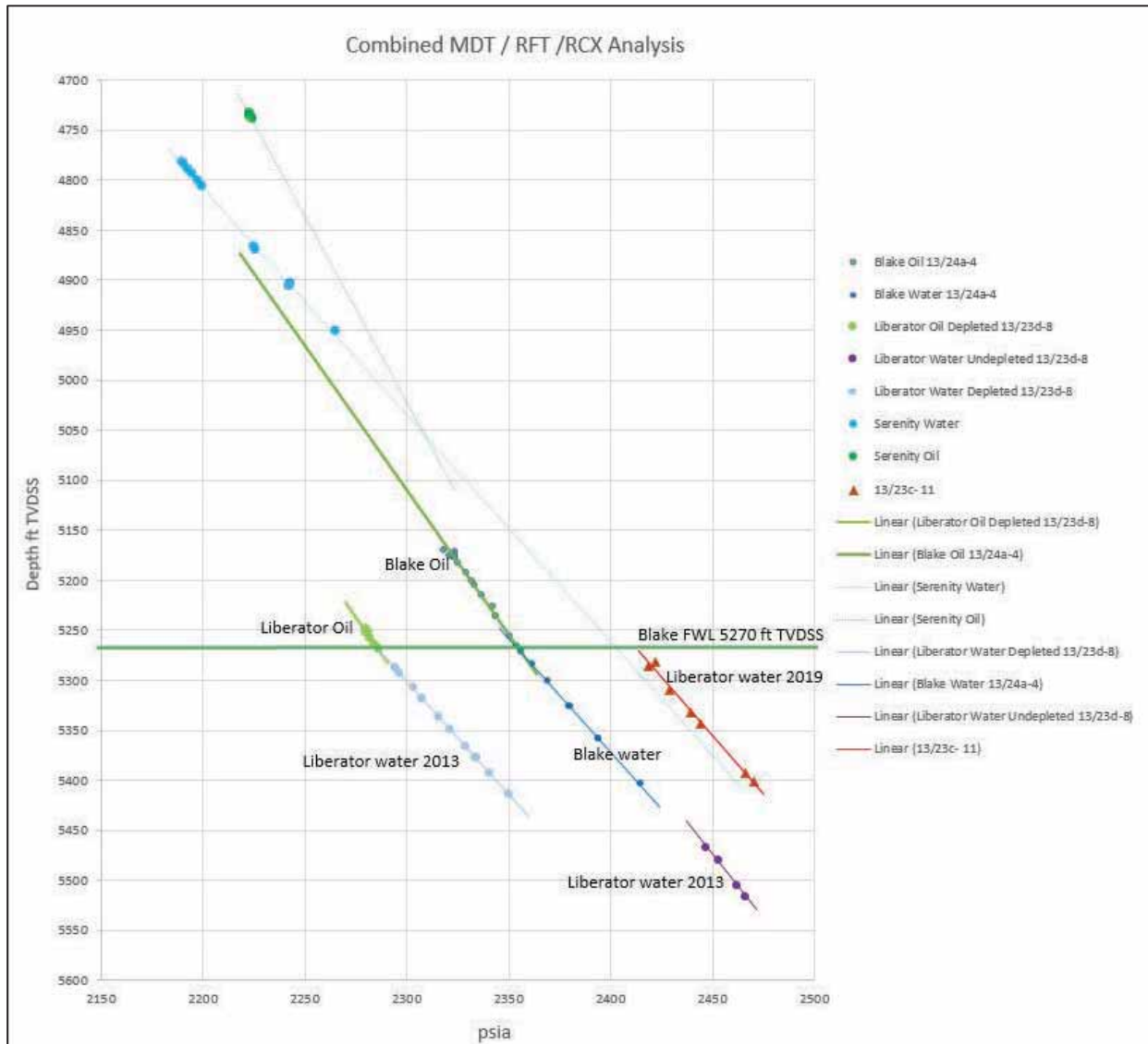


Figure 3-7 Formation pressure from Liberator and Blake Saturation vs height function

Since the Captain Sands from the 2019 wells are below the OWC they do not add anything to the saturation-Height story therefore it has not been updated.

High, mid and low saturation-height functions were presented in the Liberator FDP. The mid function was based on the Liberator well, 13/23d-8 (the black line in Figure 3-8). Given the pressure depletion and the higher Sw observed close to the contact in the Liberator well (which is on the edge of the structure and almost at the closest point to Blake) this is possibly a low case to carry over the whole of the Liberator structure. A slight change was made to produce a function with an improved match to the Liberator well Sw from logs (the red line in Figure 3-8). A function was also matched to the pre-production Blake Sw in 13/24a-4. This has been taken as the reference case since it represents the saturation as it was in its virgin state.

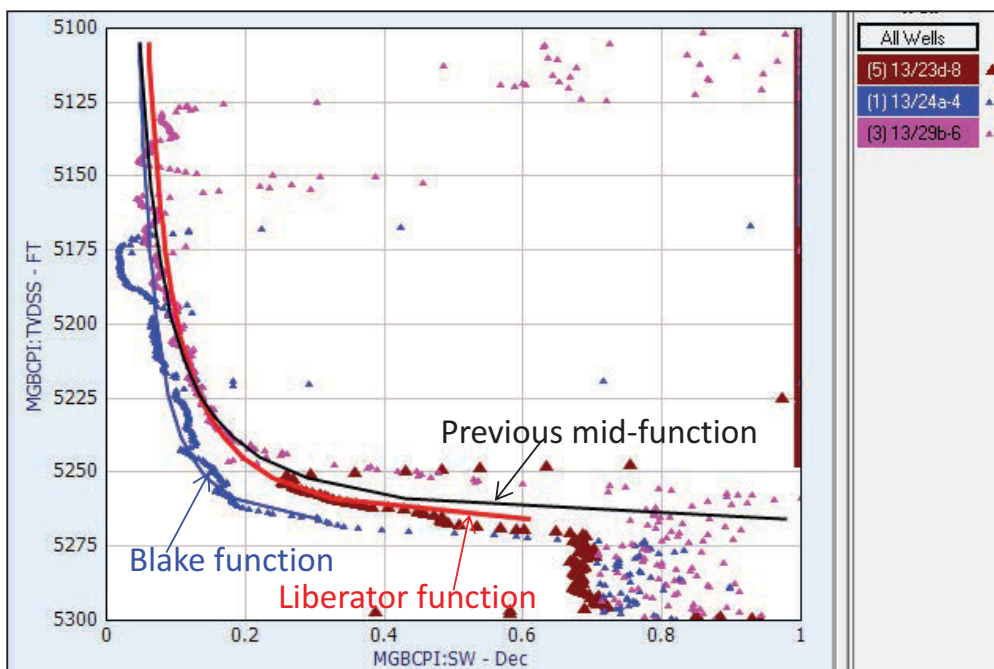


Figure 3-8 Saturation height functions displayed with Sw from logs

The Liberator and Blake saturation height functions are displayed on the CPIs for 13/23d-8 and 13/24a-4 in Figure 3-9.

The Liberator function is a good fit with the data it is matched to but is pessimistic compared to the Blake function based on a thick column, high on the structure before any production affected the fluids.

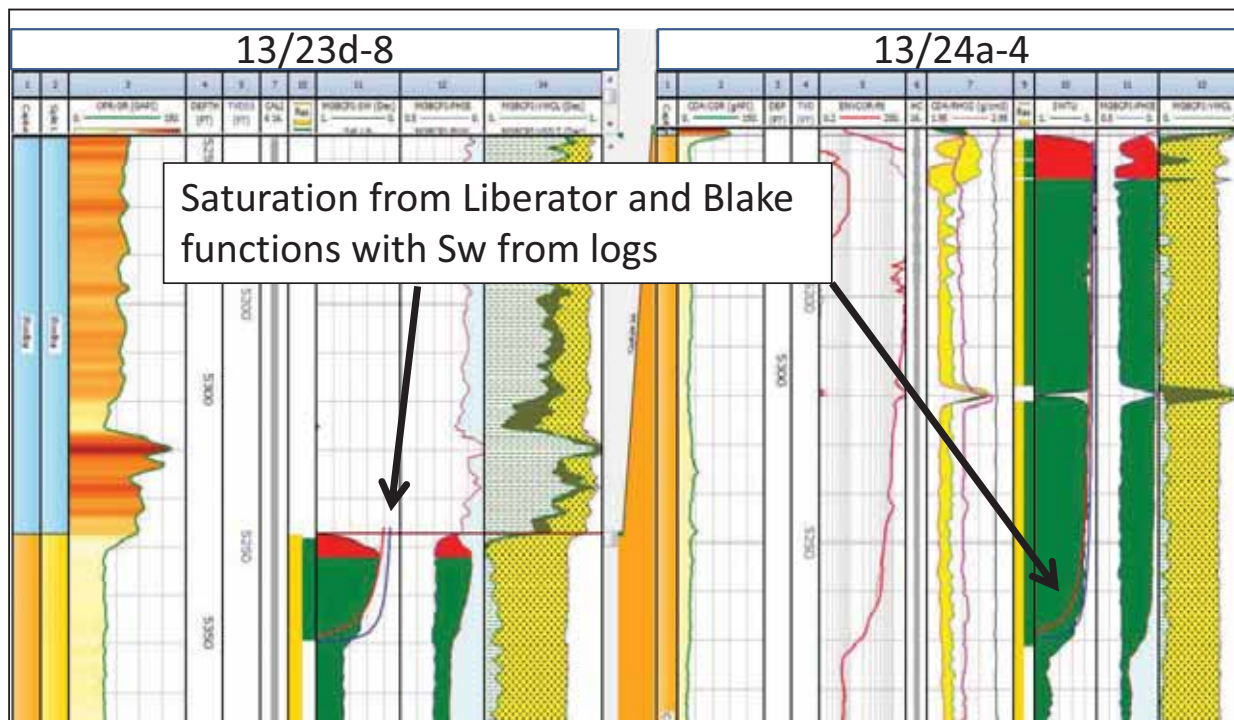


Figure 3-9 Saturation from the functions described displayed with the CPIs (Red-Liberator, Blue-Blake)

It should also be noted that the Liberator well is on the edge of the structure and only contains a relatively thin hydrocarbon column (24ft).

Considering the excellent porosity, permeability and apparent heterogeneity of the Captain Sand the transition zone as expressed on the logs is relatively thick. Intuitively one would expect a very sharp

contact in a reservoir of this quality. Given the relief of the structure, the transition zone will have an impact on the volumes calculated.

3.4 Results

As the CPIs and core analysis have illustrated, the Captain sands are of excellent reservoir quality. The Upper Captain is of slightly better quality with higher NTG and higher porosity than the Lower Captain. As described earlier the Captain Sand in well 13/23a-4 is undifferentiated though the porosity in the C and D intervals are similar to the Upper and Lower Captain Sand porosity in the Liberator wells.

Well	Zone Name	Units	Top MD	Bottom MD	Top TVDSS	Bottom TVDSS	Gross TVDSS	Net TVDSS	N/G tvdss	Av Phi Ari	Av Vcl Ari
13/23d- 8	U.Captain	ft	5329.0	5513.0	5246.7	5430.7	184.0	173.5	0.94	0.28	0.12
13/23c- 11	U.Captain	ft	5665.0	5845.6	5275.8	5412.6	136.9	104.0	0.76	0.28	0.07
13/23d- 8	L.Captain	ft	5513.0	5646.0	5430.7	5563.6	133.0	80.0	0.60	0.24	0.19
13/23c- 9	L.Captain	ft	5481.0	5648.0	5378.5	5545.5	167.0	122.2	0.73	0.26	0.15
13/23a-4	C_undiff	ft	5473.0	5575.0	5387.0	5489.0	102.0	98.8	0.97	0.27	0.08
13/23a-4	D_undiff	ft	5575.0	5700.0	5489.0	5614.0	125.0	116.0	0.93	0.24	0.08
13/23d- 8	All Zones	ft	5329.0	5646.0	5246.7	5563.6	316.9	253.4	0.80	0.26	0.14
13/23c- 9	All Zones	ft	5481.0	5648.0	5378.5	5545.5	167.0	122.2	0.73	0.26	0.15
13/23c- 11	All Zones	ft	5665.0	5845.6	5275.8	5412.6	136.9	104.0	0.76	0.28	0.07
13/23a-4	All Zones	ft	5473.0	5700.0	5387.0	5614.0	227.0	214.8	0.95	0.25	0.08

Table 3-2 Average properties in Captain sand

Average permeability from core analysis is 2331mD.

3.5 Uncertainties and sensitivities

As was previously mentioned, the volumes are sensitive to the saturation-height function given the low relief of the structure and the larger than expected transition zone. Generally all the other reservoir properties are excellent with little variation.

3.6 Conclusions and recommendations

The reservoir sand in all of the Liberator wells contains extremely good static reservoir properties similar to the Blake wells. The pressure data indicates the same oil-water contact with some interference from Blake production (possibly through the aquifer).

If cuttings or core samples are still available, mercury injection capillary pressure data would be a useful piece of data. It might be that there is some detail in the pore throat size distribution which could help to understand the nature of the transition zone.

4 Geophysical Evaluation

4.1 Data

TRACS was supplied with a Kingdom project with the following data:

- well data (various)
- TGS MF10 PSTM data – 2010 3D seismic data set ('MF10') comprising the following data types: PROCMIG, raw stack and near, mid & far stack data
- TGS MF18 PSTM data – 2018 3D seismic data set ('MF18') including the following data types: raw stack and near, mid & far stack data, IKON Vp/Vs and facies data and TrimStatics.
- Western Geco Q13Ph1 data – 2013 3D seismic data set ('Q13Ph1') comprising the PROCMIG data
- Phoenix3D Megamerge.
- various time and depth horizons/grids

The two key surveys are the MF10 survey which covers the eastern half of the structure and the MF18 survey which includes the area covered by MF10 but also extends to the northwest, Figure 4-1.

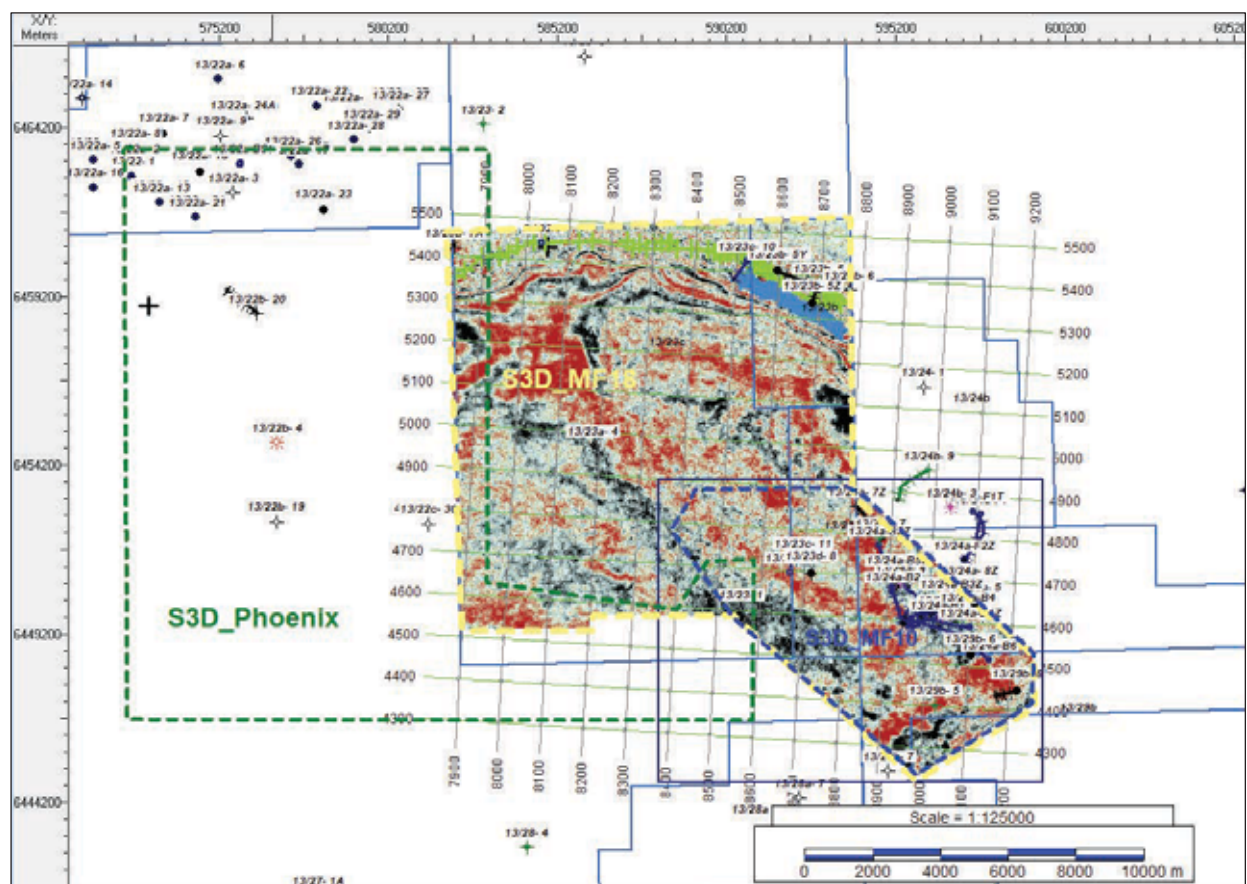


Figure 4-1 Seismic data coverage (supplied by i3 Energy)

4.2 Analysis

The objectives of the geophysical evaluation were as follows:

- review seismic interpretation over the Liberator East area
- review depth conversion and depth uncertainty over Liberator

4.2.1 Interpretation

Since the previous CPR was published, two new wells have been drilled on Liberator and a new seismic dataset (MF18) has been made available. New horizons based on the MF18 data were included in the Kingdom project and these were reviewed as part of the geophysical evaluation.

There were a number of key changes to the interpretation following the drilling of the 13/23c-9 and 13/23c-11 wells because both wells encountered unexpected results.

The 13/23c-9 well came in deeper than expected and this was the result of the original seismic data failing to image a change in sand geometry resulting in a mis-picking of the seismic data. Figure 4-2 shows Xline 4696 from both the MF10 (upper figure) and MF18 (Lower figure) datasets to show the difference in imaging between the two volumes.

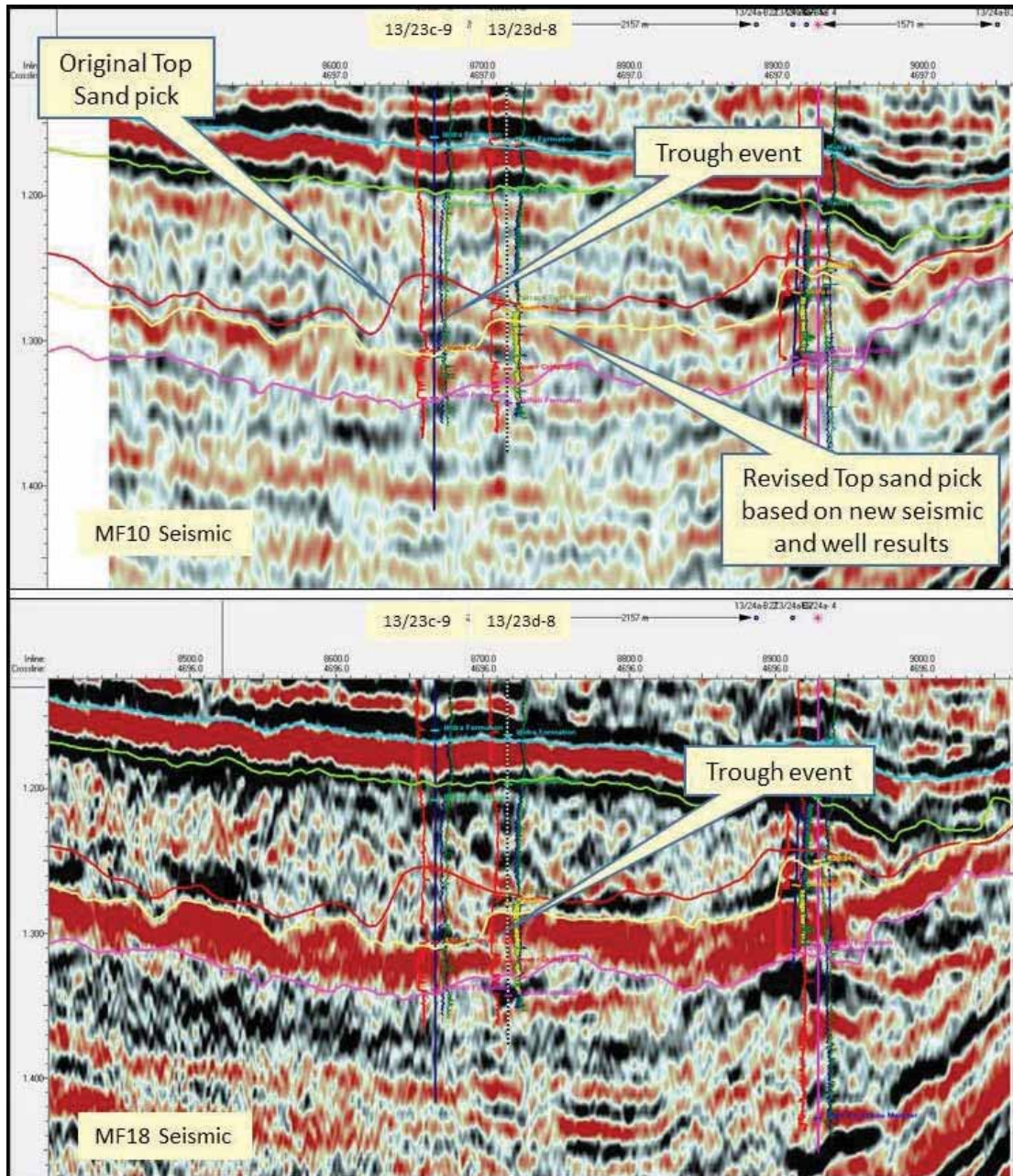


Figure 4-2 Xline 4696 showing the MF10 data (upper section) and the MF18 data (lower section) through the 13/23d-8 and 13/23c-9 well locations (For line location see Figure 4-5)

In the MF10 version (the upper image in Figure 4-2), there is a continuation of the weak peak representing the top of the K50 sequence and the following trough which was interpreted as the Upper Captain sand seen in the 13/23d-8 well. However, when the well was drilled, the Upper Captain sand was found to be

missing and the well drilled straight into the Lower Captain sand. With the new MF18 dataset (the lower image in Figure 4-2), it was possible to see that the trough that was present on the MF10 data did not extend as far as the 13/23c-9 well location.

In the Liberator East area, it has been possible to pick a weak peak that has been interpreted as the top of the Lower Sand. This can be mapped away from the wells to the east and south east and provides a mechanism for defining the distribution of the Upper Sand. It appears that the Upper Sand is present over the Liberator East area. Figure 4-3 shows a seismic line to illustrate this event.

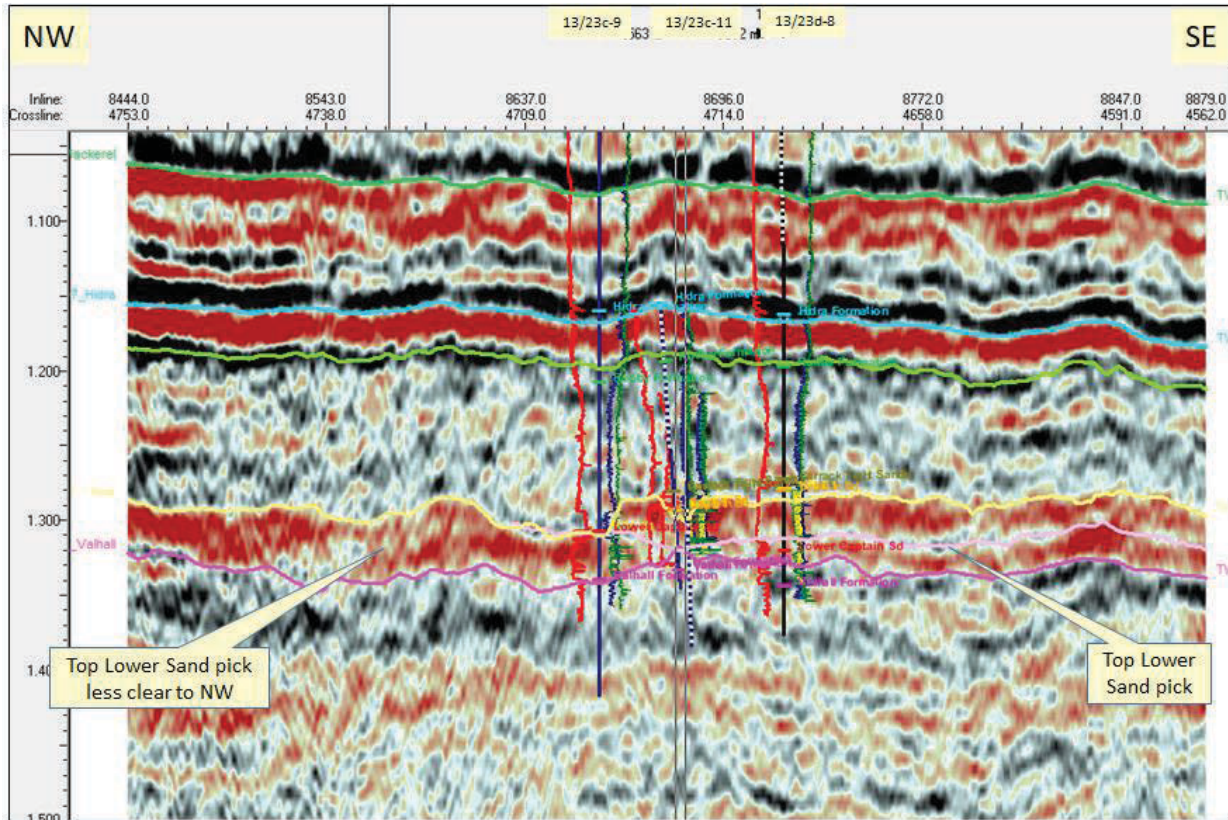


Figure 4-3 Arbitrary Line showing Top Lower Sand pick (For line location see Figure 4-5)

Further to the west and north west, this pick becomes less reliable so there is more uncertainty in these directions regarding the presence of the Upper Sand. This contributes to the uncertainties described in Section 4.2.2 below.

Following the drilling of the 13/23c-9 well there was a pause whilst the Serenity well was drilled which allowed time to interpret the MF18 data in order to take advantage of the improved imaging and decide on a new location to drill at Liberator. The result was the 13/23c-11 well location which appeared on the new data to be structurally higher than originally thought. In this case however, the MF18 data did not provide an improved image and the updated pick was shown to be too high. The original interpretation, in this case, was a closer representation of the subsurface geometry. Figure 4-4 shows the MF10 data (upper image) and the MF18 data (lower figure) through the 13/23c-11 well location. There are three horizons shown; the original interpreted horizon is in red, an intermediate horizon picked before the 13/23c-11 well was drilled, in blue and the current interpretation made after the 13/23c-11 well was drilled in yellow.

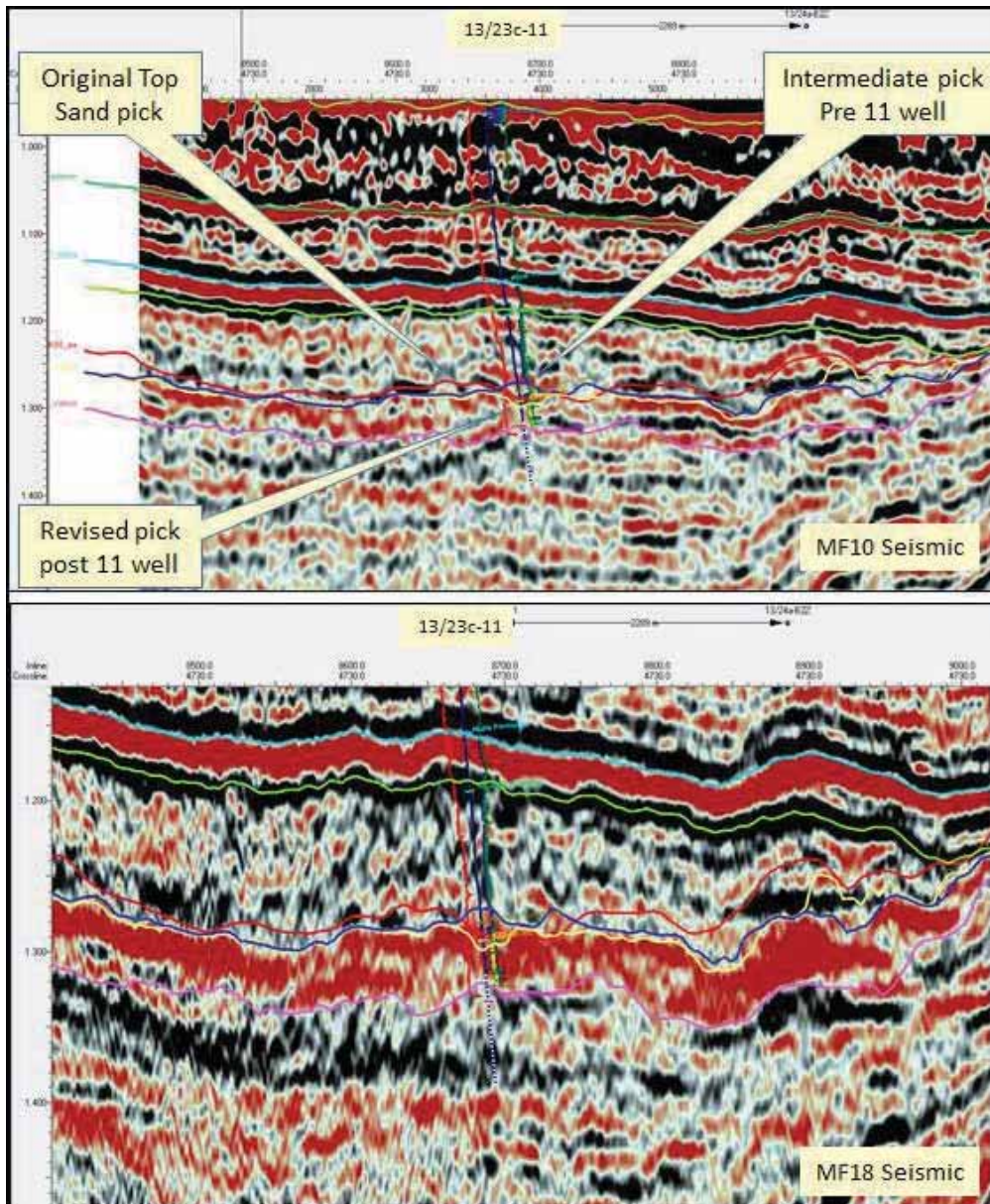


Figure 4-4 Xline 4730 showing the MF10 data (upper section) and the MF18 data (lower section) through the 13/23c-11 well location. (For line location see Figure 4-5)

Both of the seismic datasets (MF10 and MF18) appear to provide potential insights into the subsurface geometry and i3 have indicated that both will be used to enhance the interpretation of the Liberator East area. However, there are some areas of the new, MF18 interpretation which may not fully represent the top of the K50 sand. For the purposes of this review, it was decided that the original interpretation on the MF10 dataset provided an acceptable view over the majority of the Liberator East structure once it had been corrected at the 13/23c-9 well. The MF18 interpretation represents an alternative view which has been incorporated into the volumetric range.

4.2.2 Depth Conversion

The same depth conversion has been carried out for the new interpretation. In the previous CPR, this was considered to be a robust method and that view remains the case. This is despite the apparent depth errors seen at the two new wells. However, there are reasons for the depth errors which relate to the seismic picking rather than the depth conversion method as described above.

The depth uncertainty is likely to remain of the order of +/-25ft within 1km of the wells but will increase in the Liberator West and Minos areas which are further from well control and closer to the shallow channel. In these areas, the depth uncertainty is assumed to be +/-50ft.

The resulting MF18 depth map is shown in Figure 4-5.

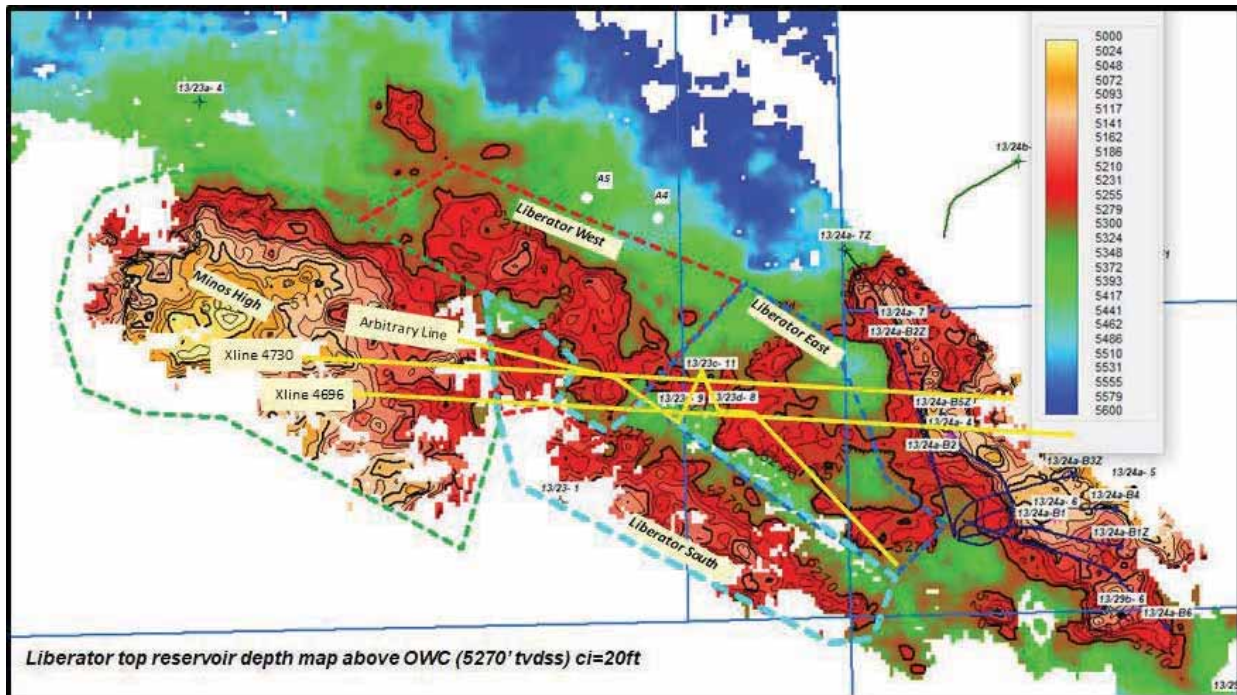


Figure 4-5 Liberator Top Reservoir depth map (Source i3 Energy)

A number of uncertainties were identified in the previous CPR and these have been shown to still be a concern. The uncertainties were considered to be made up of three elements: pick uncertainty, depth conversion uncertainty and diversion of top Captain sand from the K50 sequence boundary.

The pick uncertainty has been found to be a significant factor affecting the results of the two new wells with both the MF10 and MF18 datasets contributing to this. There are areas on both datasets where the pick steps up or down and alternative interpretations are possible for the top sand. This should be born in mind when planning new well locations.

The depth conversion uncertainty remains since, although there are reasons for the depth errors in the two wells, the other features identified in the previous CPR remain a concern. These include the shallow channel which has been identified and included in the depth conversion but the velocity of the channel fill is based on only one well so may not be representative of the whole channel. Also identified as a potential uncertainty are the small erosional features seen in the Chalk which will influence the depth estimation on what is a low relief structure at the K50 level.

The third uncertainty, relating to the changing facies of the K50 sequence, has not been affected by the new wells and remains a concern.

As previously recognised in the 2019 CPR, a combination of these uncertainties in the Liberator East area could result in a higher or lower structure which will impact the STOIIP. As before, this has been taken into account in estimating the range of STOIIP.

5 In Place Volumes

For the Liberator East, the static model was re-built with the 2 new wells and taking on board information from the MF18 seismic data. Note that the MF10 depth map remains the primary reference for top reservoir structure, though it was adjusted to account for the 13/23c-9 well result, which came in deep to prognosis and failed to encounter the oil-bearing Upper Captain Sand.

5.1 Key Uncertainties

Based on a review of the geology, seismic, petrophysics and fluids, the following are the key uncertainties affecting volumes:

- The top structure (deep or shallow with respect to the reference case).
- The significance of the 4ft gas interval seen in the discovery well. A 15% gas cap has been applied in the low case only, as per the previous CPR.

Porosity and NTG of the sand itself have a narrow range. The OWC is defined by the MDT formation pressures and hence has a small uncertainty. As for the previous CPR, pessimistic and optimistic saturation height functions were implemented in the model. But now that the hydrocarbon column height has reduced, much of the resulting structure is in the transition zone, regardless of function used. The effect on STOIIP of the uncertainties has been quantified as shown below (Figure 5-1).

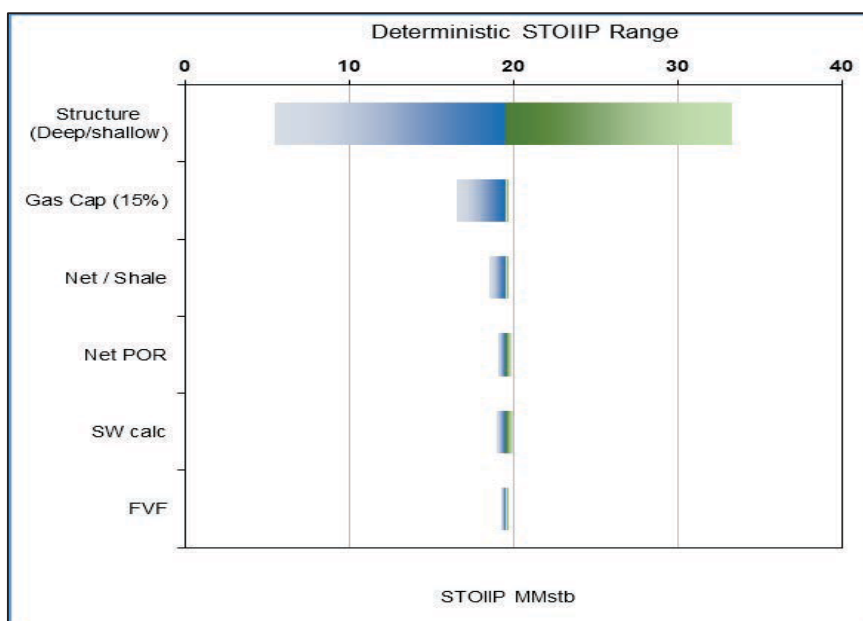


Figure 5-1 Effect on STOIIP of reservoir parameters

5.2 Static Model

The modelling was performed using Petrel 2017 software.

5.2.1 Input data

The top Upper Captain Sand corresponds to the seismic K50 in the Liberator area and in the Blake Field. The Valhall Formation is base reservoir for the entire Captain Sand package. TRACS interpreted a top Lower Captain Sand isochore.

The primary reference for top structure was the MF10 top Captain sand. The MF18 depth map was used to estimate the edge of the upper/lower sand.

The wells were loaded manually from the well location and deviation surveys provided by the client. The raw log curves and TRACS petrophysical interpretation curves were loaded from LAS files.

5.2.2 3D Grid

A cell size of 100 m was used, oriented parallel to the boundary of the Liberator area (Figure 5-2).

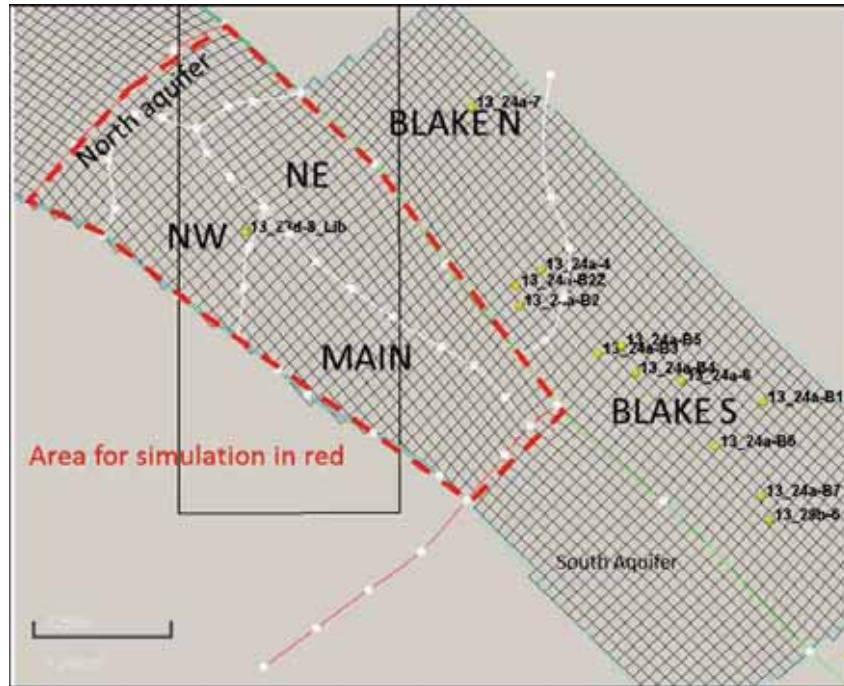


Figure 5-2 Map of modelling grid and segments

5.2.3 Horizons and top structure

The MF10 top Captain was used and updated in the area of well 13/23c-9. A patch was created from the MF18 seismic depth map and then merged together. The resulting top structure map is shown below (Figure 5-3).

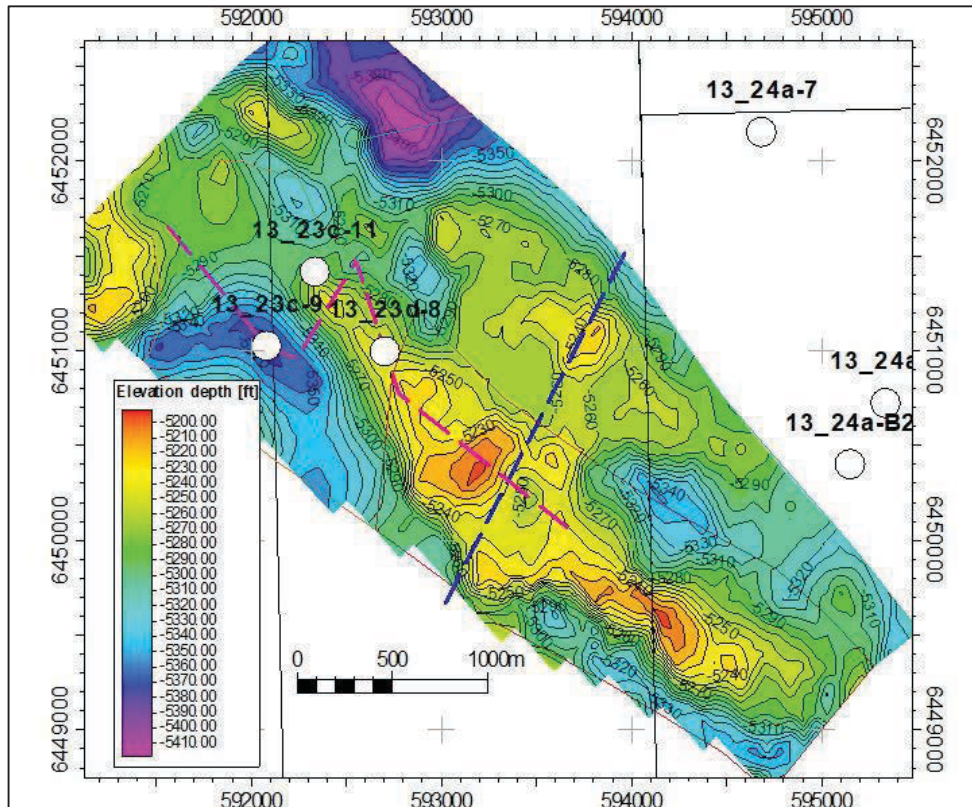


Figure 5-3 Top structure map from static model

5.2.4 Zones and Layering

Using the TRACS seismic isochore (Figure 5-4) built from the MF18 seismic interpretation, the top Lower sand depth horizon was created.

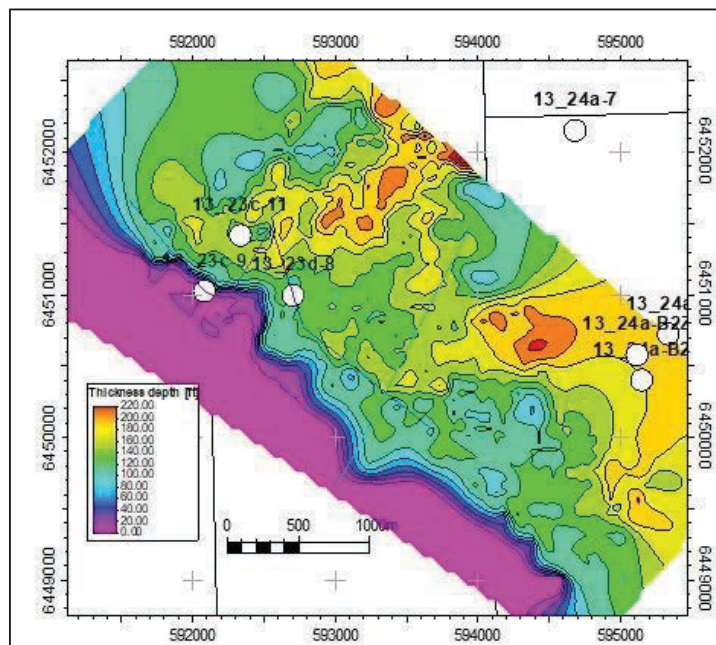


Figure 5-4 Isochore For Upper Captain Sand

The top surface was made geologically consistent with SW edge of the lower sand. The upper sand pinches out where the top structure dips SW (Figure 5-6).

The layers within the 2 zones are around 4 ft thick, suitable for simulation.

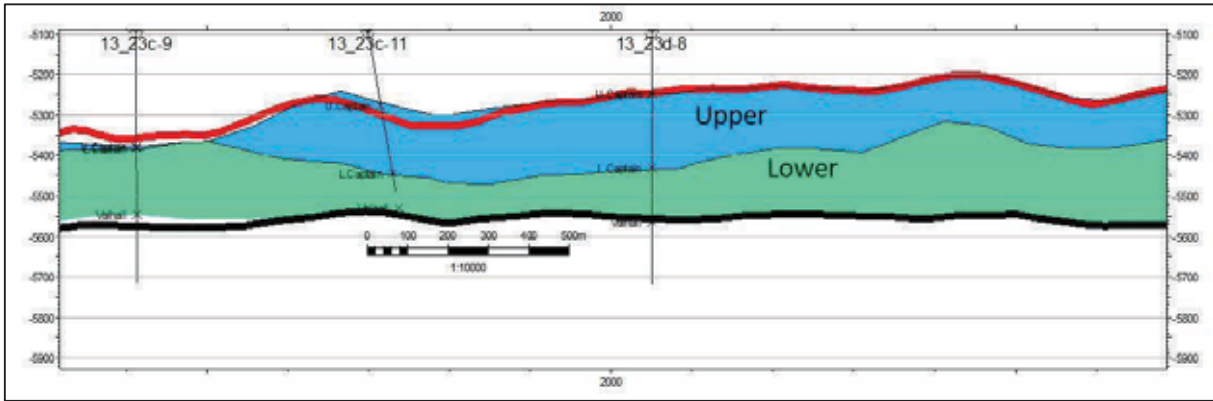


Figure 5-5 Cross Section Through the 3 Liberator Wells

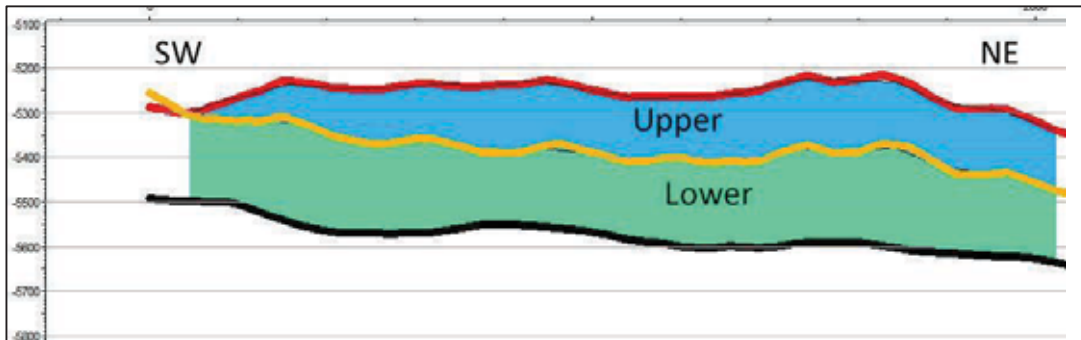


Figure 5-6 SW-NE Cross section through Liberator showing Upper and Lower sand model

5.2.5 Porosity

The porosity from all the wells was interpolated using a simple method (Figure 5-7). The upper hydrocarbon bearing interval has porosity of around 0.28 while the deeper interval of the reservoir has slightly lower porosity of 0.22.

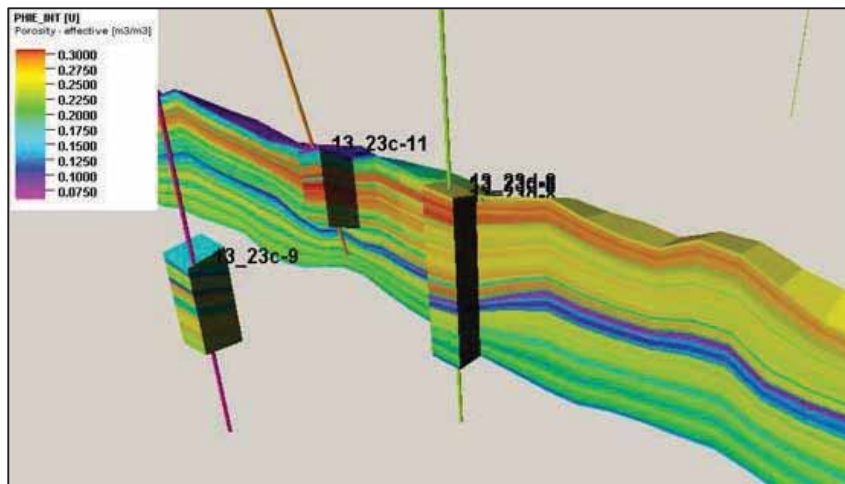


Figure 5-7 Porosity model view

5.2.6 NTG

The NTG was interpolated across the model (Figure 5-8) and this resulted in a low NTG at the top of the Lower sand as expected.

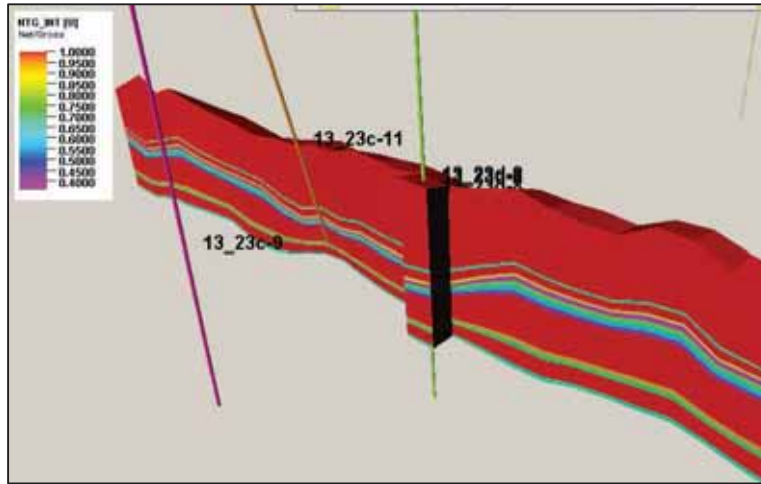


Figure 5-8 NTG model view

5.2.1 Permeability

For permeability, the function for the Blake core was used:

$$Kh = 0.0412 * PHIE^{3.2747}$$

(Porosity is in percent in the i3 Energy formula. This was converted to decimal in Petrel formula)

This gives a permeability distribution mostly above 1 Darcy, decreasing with depth due to slight porosity reduction (Figure 5-9 & Figure 5-10).

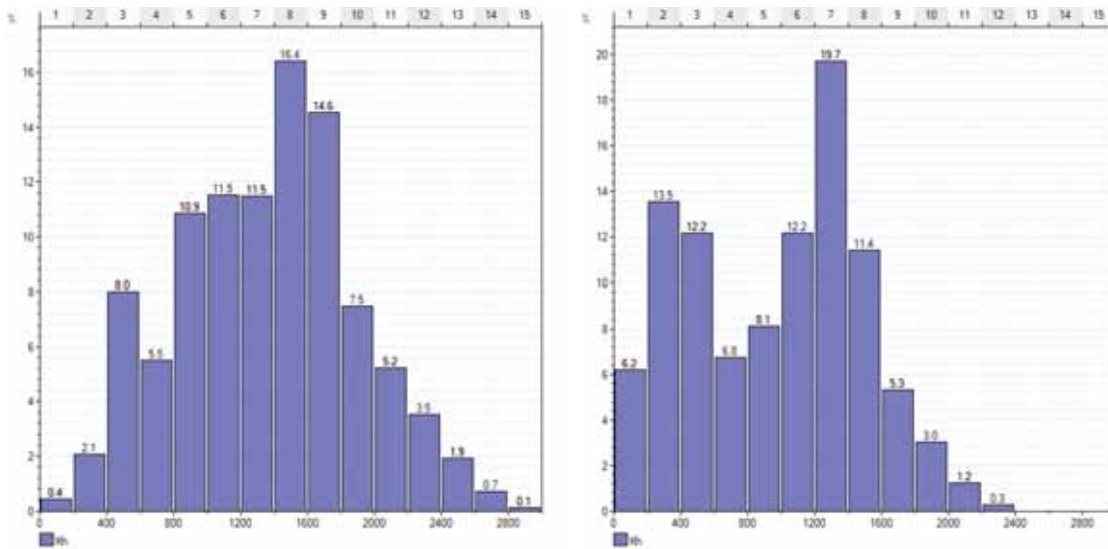


Figure 5-9 Upper and Lower Captian Sand Permeability Distribution (mD)

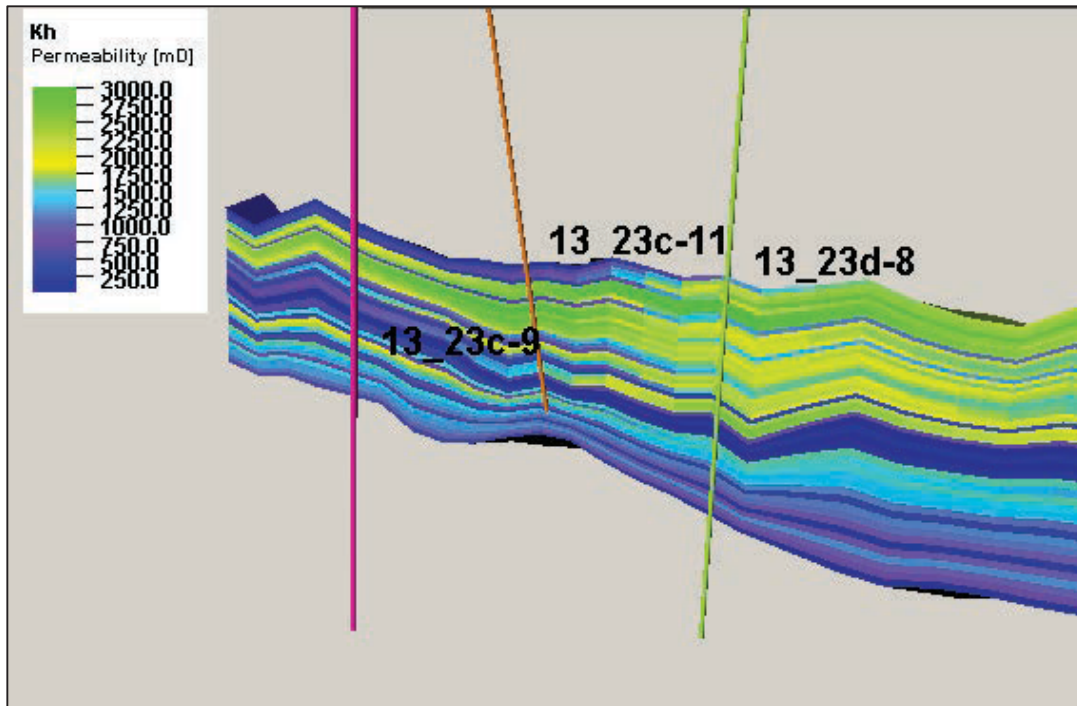


Figure 5-10 Permeability (Kh) model view

5.2.1 Saturation

The saturation was modelled using 2 functions: one from the 24ft column in the Liberator well itself and one using log data from the >100ft column in the Blake Field, 13/24a-4 (see Section 3.3).

Liberator: $Sw = 1.466 / (HAFWL^{0.622})$

Blake: $Sw = 0.61 / (HAFWL^{0.5})$

The Blake well is in the north (closest to Liberator) and the whole oil column can be defined with a relatively short transition zone, as expected in these Darcy sands. Hence the Blake function (left in Figure 5-11) was used for the reference case.

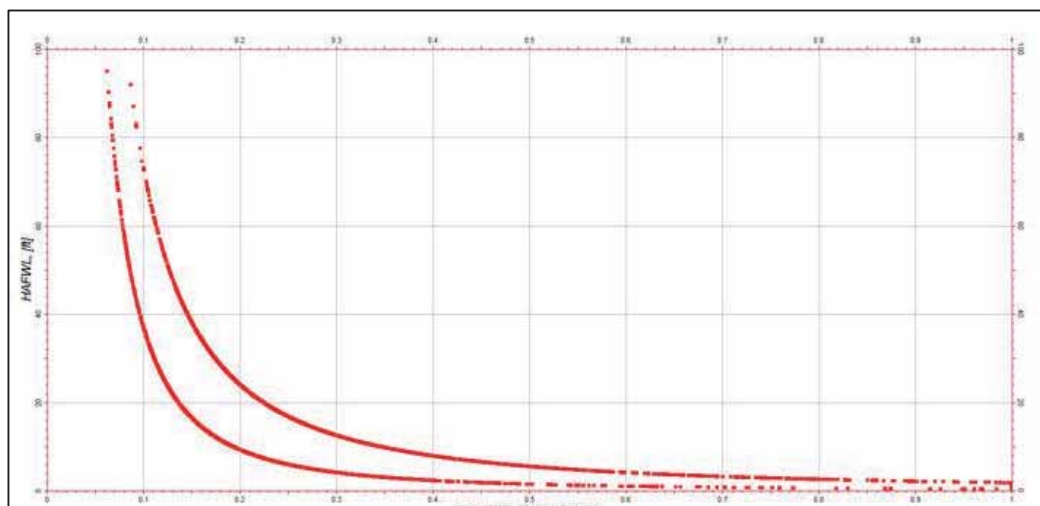


Figure 5-11 Comparison of Sw-Height functions

The resulting height of oil column from the model is shown below (Figure 5-12). The NW segment around 13/23c-9 is now in the water leg compared with the pre-drill map from 2017 (Figure 5-13).

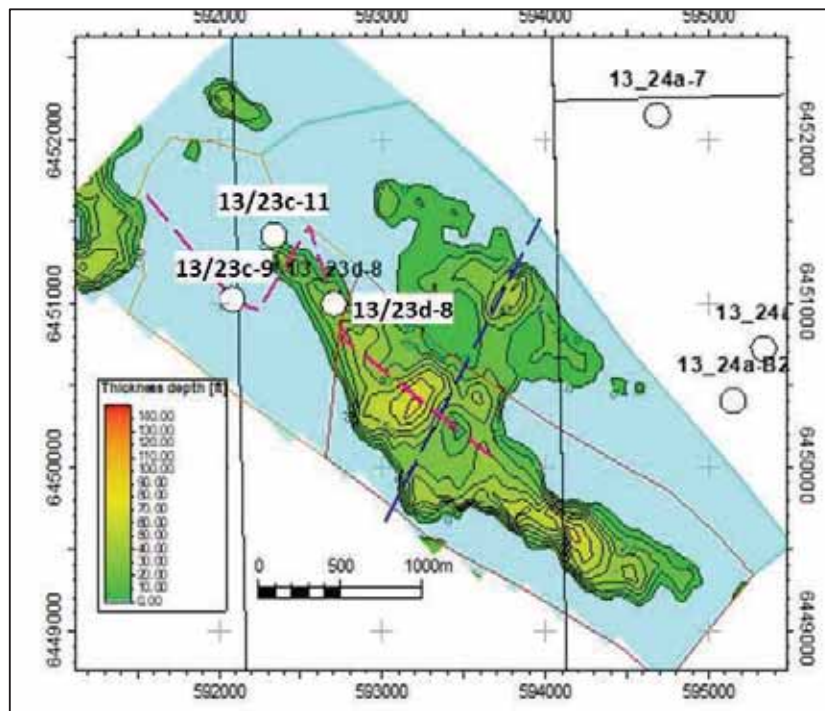


Figure 5-12 Height of oil column map from model (2020)

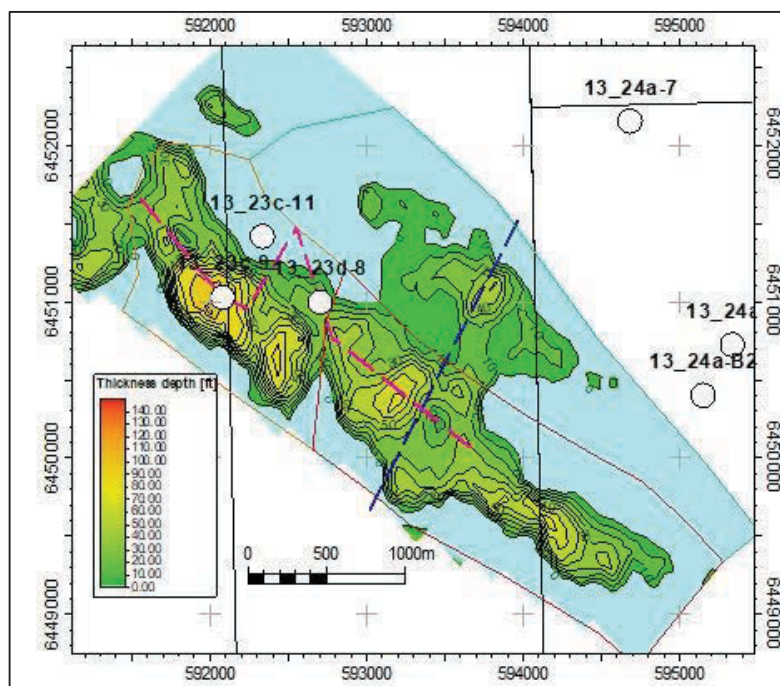


Figure 5-13 Height of Oil Column Map (pre-drill)

5.2.1 Depth uncertainty gridding

For generating shallow and deep top reservoir maps, the depth uncertainty away from the wells is estimated at $\pm 25\text{ft}$ at a radius of 800m (Figure 5-14). The saddle with the Blake Field and the western edge were not changed during this process. The surfaces were generated in Petrel and corresponding shallow and deep grids were built with the same internal properties. Sw was regenerated.

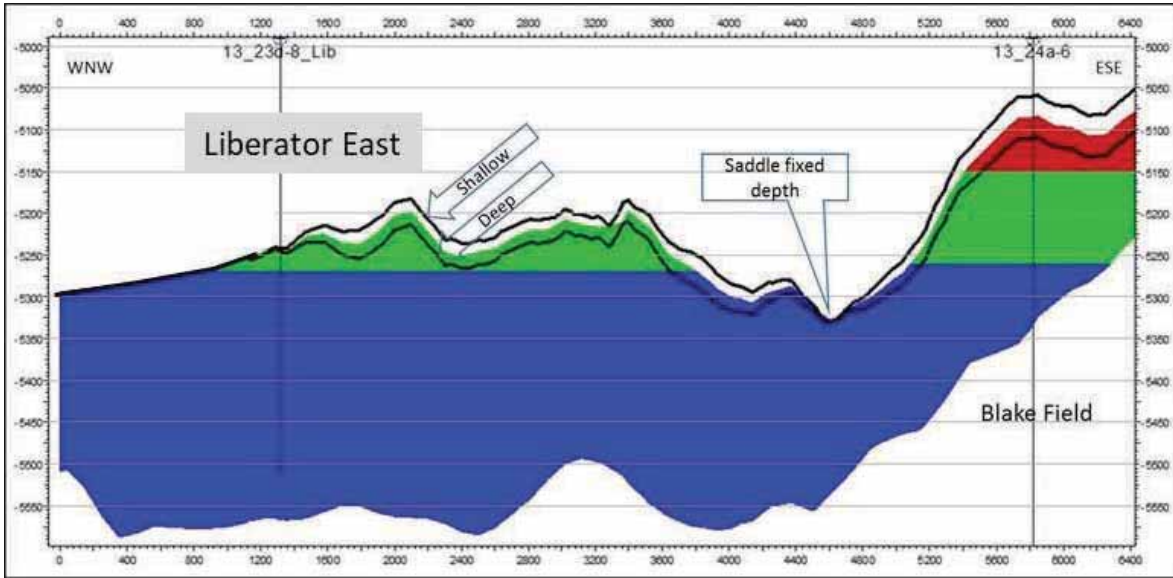


Figure 5-14 Cross Section from NW to SE showing shallow and deep top reservoir

5.3 STOIIP evaluation

The deterministic calculations were done in the 3 Petrel 3D grids, for low, mid and high cases, which are summarised in Table 5-1.

STOIIP	Structure	Gas cap	Sw calc
Low	DEEP	15%	LIB 23/13d-8
Mid	REF Depth	No	Blake 13/24a-4
High	SHAL	No	Blake 13/24a-4

Table 5-1 Summary of STOIIP inputs

An FVF of 1.157 RB/stb based on PVT analysis from the Liberator well (and similar to Blake Field) has been used for all cases. NTG, porosity and permeability are modelled by the same method for all cases.

Solution GIIP has been calculated using the measured solution GOR of 341 scf/stb from the 13/23d-8 downhole samples. A variation of +/-5% in this GOR value has been used to estimate the low and high GIIP cases.

Estimates for STOIIP by case are summarised in Table 5-2.

Case	STOIIP MMstb	GIIP Solution gas Bscf	GIIP Free gas Bscf
Low	5.7	1.8	1.9
Mid	19.5	6.6	0
High	33.3	11.9	0

Table 5-2 Liberator East Low, Mid and High case In-Place Volumes

The oil volume is entirely in the upper sand in all cases. The Liberator East discovery lies almost entirely within Licence P. 1987, though a portion (estimated 17%) extends outside the licence boundary to the southeast into the Blake partners acreage.

6 Reservoir Engineering

6.1 Data review

Since the new wells drilled on the structure failed to find hydrocarbons, no new production test or fluid data are available. For the previous CPR, the pressure data and PVT report on downhole samples of the Liberator discovery well 13/23d-8 were reviewed. When the reservoir fluid samples were taken in Nov 2013, the reservoir had a small gas cap and a thin oil column of 20 ft with a GOR of 341 scf/bbl and bubble point pressure of 2278 psia. The MDT pressure data from well 13/23d-8 indicated that the reservoir pressure was about 70 psi lower than the pre-production trend, probably due to aquifer depletion by the Blake production. No SCAL data or production data exist.

6.2 Dynamic Model

An Eclipse simulation model was constructed to support the 2019 CPR to estimate low, mid, and high recovery factors and forecasts for the Liberator Phase 1 (East) Development. This model has been updated, based on the newly acquired data, with the new, best estimates of structure and static properties to determine the implications of the substantially reduced hydrocarbon column on recovery. It was recognised that the reduced in-place volumes would likely fail to support an economic development, and that the potential for extremely rapid breakthrough of the underlying water might further reduce the viability of development (the post-drill, 2020, and pre-drill, 2019 maps of oil column thickness are shown in Figure 5-12 and Figure 5-13 respectively).

Based on this assertion, and the limited oil volume produced in the best estimate case, the full uncertainty range was not explored through simulation. Instead, the best estimate case was used to update the previous CPR recovery factor range for the Phase 1 East area, with the smaller hydrocarbon column encountered. This is a similar approach to that used for the 2019 resources assessment of Phase 1 West and Phase 2 recovery factor estimation (now Liberator West and Minos High, see Section 8), for which high level assessment recovery factors were developed using a 1-well simulation of the Phase 1 East area.

No (range of) forecasts have been generated as no viable development is foreseen, and economics have not been run.

A single horizontal well, with a 4200 ft MD lateral was designed to thread the crest of the "Main" (and most viable) accumulation in the SW of the structure (see Figure 6-5).

6.2.1 Grid

The grid and rock properties were exported from the updated static model, with X-Y grid dimensions of 100 x 100 m. Z-direction layer thicknesses varied from approximately 4 to 5 ft for layers 1 to 30 and 9 to 10 ft for layers 31 to 50. The finer layering in the upper part of the model captures the thin oil column and fluid contact, including a palaeo-contact, above which residual oil saturations exist, reducing water mobility. The total number of active cells was 36760.

As for the previous model, the kv/kh permeability ratio was set to 0.8, informed by Blake Field core data.

A cross-section through the model, from NW to SE along the crest penetrated by the producer well is shown in Figure 6-1. No gas cap is included in this mid-case model.

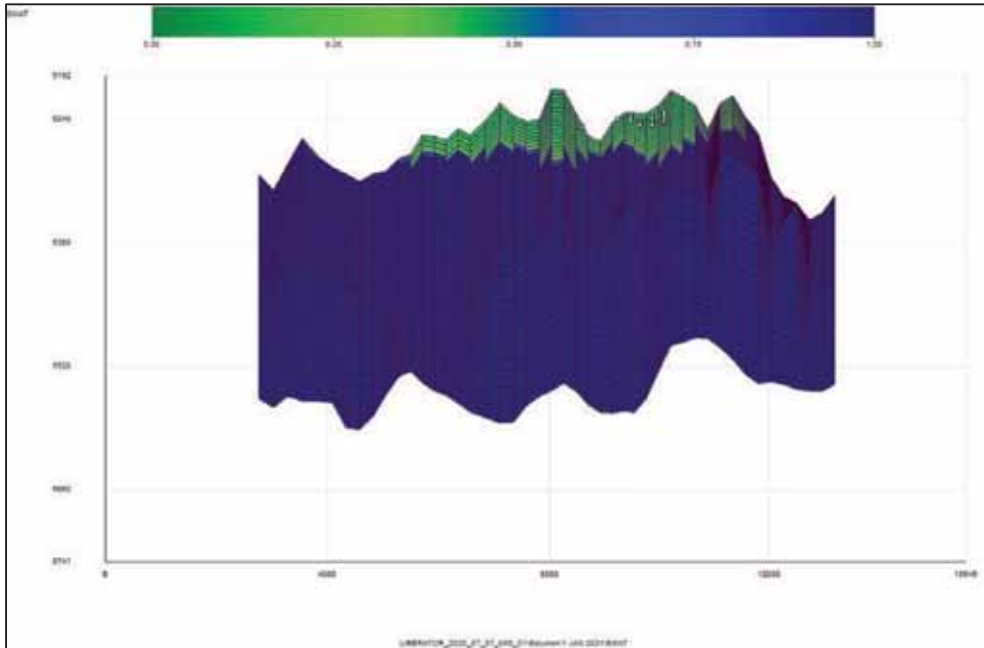


Figure 6-1 Liberator East E100 Model Vertical X-Section NW-SE along Crest

As with the previous model, the residual oil saturations between the present day and palaeo-OWC were incorporated as a transmissibility multiplier of 0.2.

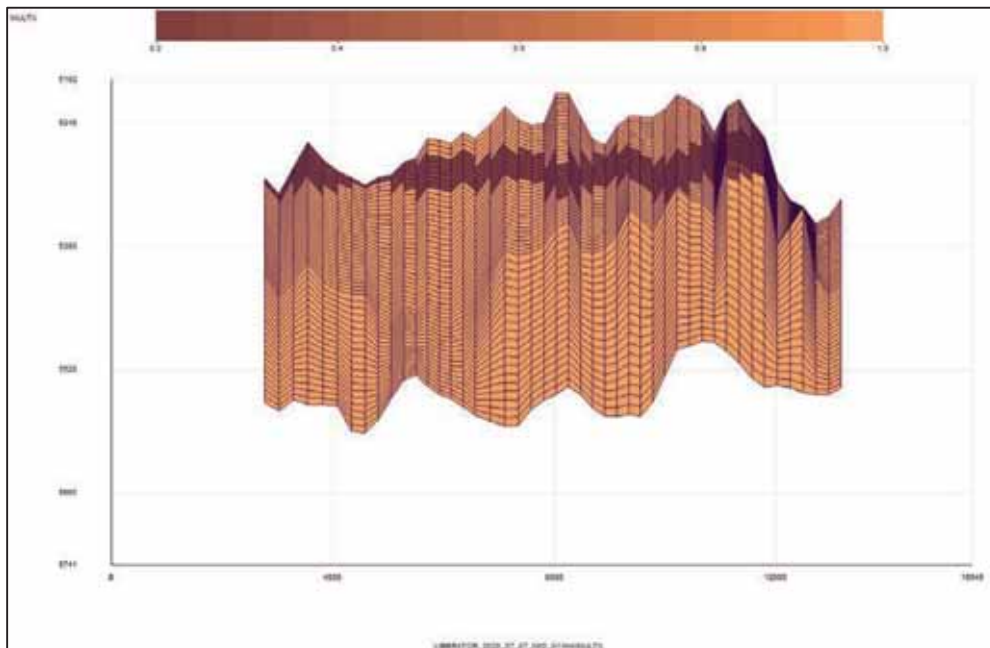


Figure 6-2 Palaeo Oil Zone Transmissibility Multiplier

6.2.2 PVT and Relative Permeability

Fluid properties were taken from the previous model which are based on data from the Liberator discovery well.

Oil Properties		
Reservoir temperature	°F	140
Reservoir pressure	psia	2315
Oil gravity	API	30.5
Pb	psia	2278
GOR	scf/bbl	341
Bo	v/v	1.16
Oil viscosity		
Reservoir pressure	cp	1.91
Bubble point pressure	cp	1.9

Table 6-1 Liberator oil properties

The water, rock and total compressibility assumed for the aquifer were as for the previous simulation model:

- Cr: 5.0E-06 (1/psi)
- Cw: 3.0E-06 (1/psi)
- Ct: 8.0E-06 (1/psi)

The water/oil relative permeability curves based on the Blake SCAL measurements provided (Figure 6-3) were applied in dynamic models as follows (MID Case in Figure 6-3):

- Corey parameters: No=2.0; Nw=2.0; Krow=1.0
- Residual oil and water end point: Sorw=30%, Krw=0.2

A generic gas/oil relative permeability with Sgc of 0.05 was applied to all E100 models. The three-phase rel perm model used is the default Eclipse model.

The irreducible oil saturation of 30% was based on the Paleo oil saturation in the well logs of Blake and Liberator wells.

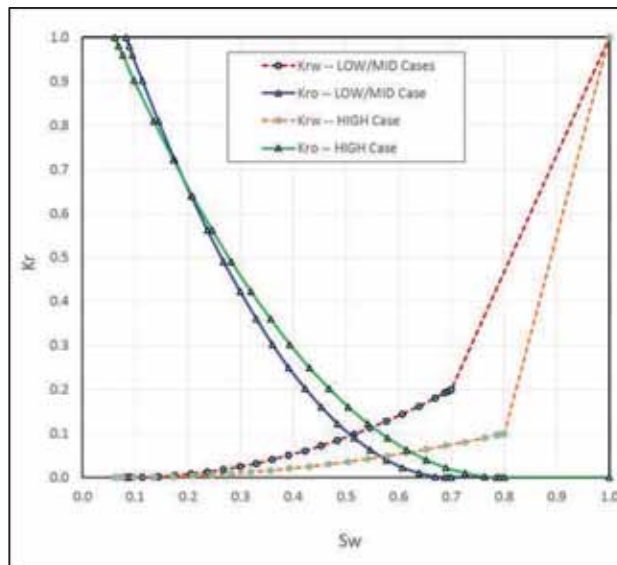


Figure 6-3 Relative permeability curves for Low, Mid and High cases

6.2.3 Saturation-height Function and Initialisation

The model was initialised with the EQUIL keyword using capillary pressure tables matching the Blake well Saturation-Height function, as used for the STOIIIP evaluation with the static model. Initial reservoir pressure was assumed to be 2285 psia at a datum of 5270 ft tvdss at the OWC.

6.2.4 Regions and Aquifer Models

The four regions adopted in the static model and in the previous simulation modelling study were used.

Region 1: NW, previously a viable oil volume but STOIIIP reduced to 0.3 MMstb with new structure means no well target.

Region 2: NE, connecting to Blake, minor STOIIIP

Region 3: SW, Main target area for production

Region 4: North, connecting to aquifer support in the north (minor STOIIIP)

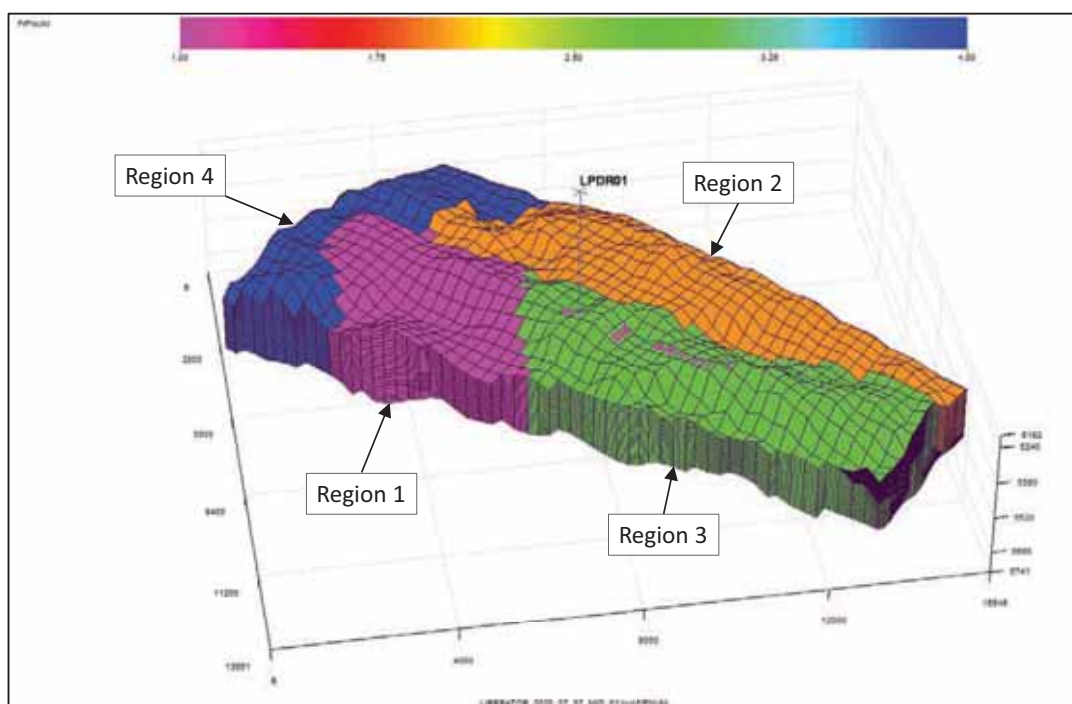


Figure 6-4 E100 Liberator Model STOIIIP Regions

Aquifers were attached, as for the previous mid-case model, on the NW, NE, and SE boundaries of the model. Sand continuity to the NW is questionable based on the latest geological interpretation, however no sensitivity was carried out on this hypothesis. The greatest aquifer support is expected to come from the SE, towards Blake.

6.2.5 STOIIIP

The initial oil-in-place volumes by region are shown in Table 6-2, with a comparison to the previous, 2019, model. Static modelling gives a slightly lower overall volume, however this was considered to be a minor issue within the context of the purpose of the modelling, and the model was not tuned to replicate the static volumes.

Case	Region				Development Area (excluding R4)
	1	2	3	4	
2020 Model	0.78	3.72	16.81	1.39	21
2019 Mid-Case	16.59	4.32	17.53	3.12	38

Table 6-2 Liberator East STOIIIP by Region and Development Area

It can be seen that the developable STOIIP has approximately halved compared to the previous model, as a result of the deeper top oil-bearing sand. Region 3 is the only viable production target area.

No free GIIP has been modelled in this realisation.

6.2.6 Production Well

A single horizontal well as designed to thread the crestal part of Region 3 in a NW-SE orientation, aiming to maximise reservoir contact whilst maximising stand-off from the OWC (see Figure 6-5).

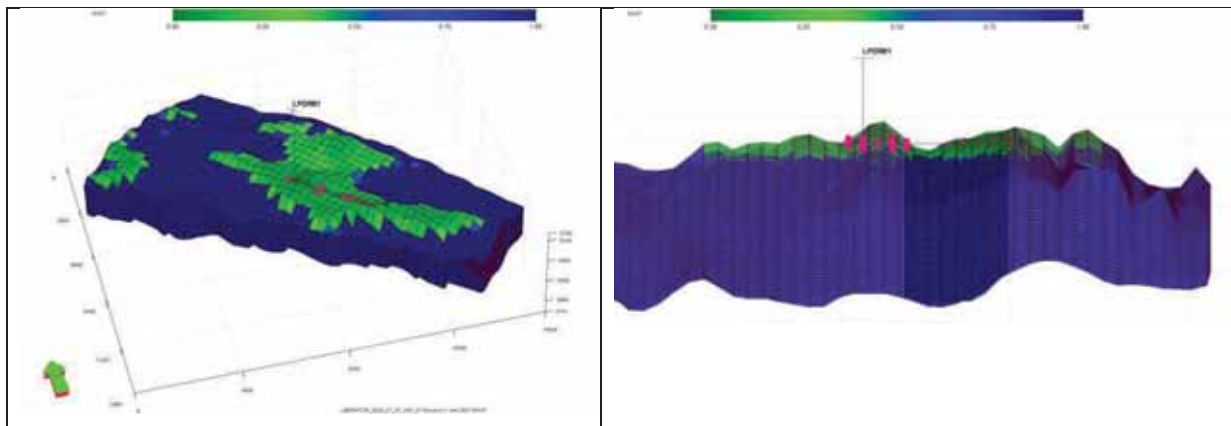


Figure 6-5 Liberator East Simulation Well Location

6.3 Forecasts

6.3.1 Schedule and well controls

The prediction run start date was 01/01/2021; forecasts were run to 01/01/2043. Controls were based on the 2019 modelling, in turn based on information provided by the client. The schedule and well controls applied to the dynamic models are listed below:

- 01/01/2022, LP1 onstream
 - Max. oil rate: 10000 stbd
 - Max. liquid rate: 20000 stbd
 - Max. pressure drawdown: 15 psi
 - THP: 523 (psia)
 - VLP table (provided by i3E)
 - Gas lift gas rate: 2 MMscf/day
 - Well Uptime: 0.86

Although maximum rate constraints are high, the drawdown is limited to minimise coning of water into the well.

6.3.2 Forecast Results

Initial oil rate is high at the target rate of 20,000 bbl/d, but as observed with the 2019 simulation, the aquifer and bottom water response is not strong enough to fully support pressure. Depletion occurs and the reservoir drops below bubble point, causing an increase in GOR and drop in production rate. Water influx also occurs almost immediately through coning with the low stand-off.

The forecast cumulative production to 2043 is 6.2 MMstb, which represents a recovery factor of 29%.

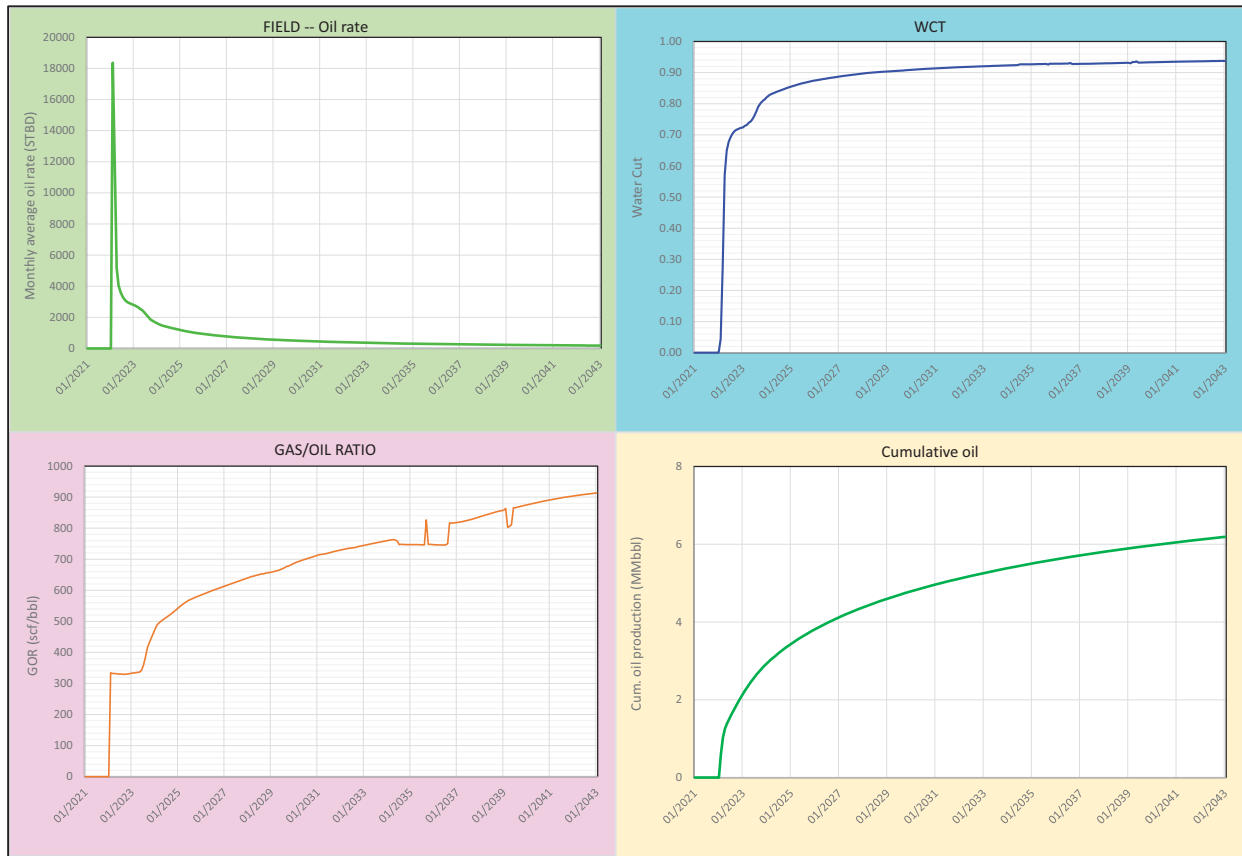


Figure 6-6 Predicted oil rate, WCT, GOR and Cum. oil

6.3.3 Recovery comparison with 2019 Simulation

The results of the 2020 simulation model (mid-case parameters) are compared with the 2019 simulation work in the tables below for oil (Table 6-3) and gas (Table 6-4).

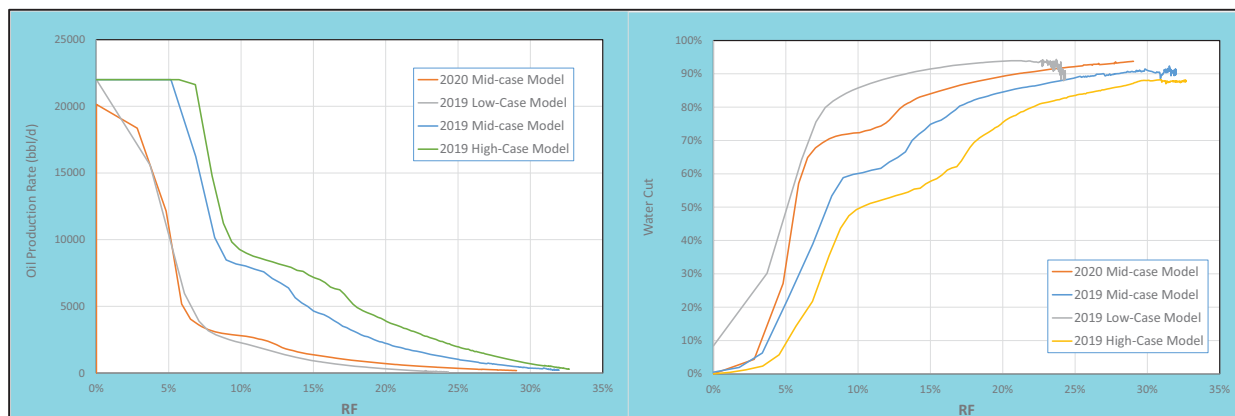
E100 Model	STOIP (Phase 1 Areas)	Cum oil (@01/01/2041)			RF
		LP1	LP2	Total	
2020	21	6.2	N/A	6.2	29%
2019 Low	18	1.6	2.7	4.3	24%
2019 Mid	38	5.8	6.2	12.0	31%
2019 High	58	9.9	8.6	18.6	32%

Table 6-3 Forecast Recoverable Oil of Liberator East

E100 Model	Phase 1 area			Cum. gas (@01/2041) Bscf	RF
	Free GIIP Bscf	Dissolved GIIP Bscf	Total Bscf		
2020	0	7.26	7.26	3.19	44.0%
2019 Low	0.304	6.26	6.57	3.74	57.0%
2019 Mid	0	13.09	13.09	7.51	57.3%
2019 High	0	19.81	19.81	11.17	56.4%

Table 6-4 Forecast recoverable gas of the Liberator Phase 1 development

It can be seen that the oil and gas recovery factors are lower than the previous mid-case model. Comparison of recovery performance shows that oil production rate actually declines more in line with the previous Low-case model.



6.4 Recovery Factor Range

A comparison of simulation forecasts between a mid-case realisation of the updated reservoir model to incorporate the 23/13-9 and -11 wells, and the 2019 model, shows that some reduction in recovery factor is likely as a result of the reduced oil column. In place volume is nearly halved compared to the previous model, however the recovery factor from a single well shows only a slight reduction in ultimate recovery factor (32 to 29%). The overall performance to achieve this recovery is significantly worse, however, and it is likely that economic factors will terminate production prior to achieving the simulated value.

Taking into consideration the overall uncertainty still remaining and the results of the simulation, it is considered that the low and mid case recovery factors should be reduced by 5%, but the high case should be maintained to reflect the overall spread of potential outcome.

Case	RF %	Comments
Low	20%	Reduce by 5% for smaller oil column, and significant simulated recovery at low oil rate
Mid	27%	Reduce previous RF by 5% for smaller oil column, 29% in new model but significant simulated recovery at high water cut low oil rate
High	33%	2019 modelling high case – upside dependent on favourable further data / appraisal

Table 6-5 Oil Recovery factor range, Liberator East

A gas recovery factor range of 0%, 44%, 55% is proposed; the low case recognises the fact that a sales gas steam may not be viable, dependent on the development plan. The mid-case number comes from the 2020 simulation and the 55% from the 2019 simulation work.

7 Resource Estimation

7.1 Classification of Resources

This evaluation addresses only the discovered volumes in the Liberator East (formerly Phase 1 East) area. The volumes documented for this area in the previous, 2019, assessment, were classified partly as reserves, forecast up to production vessel recertification in 2024, and thereafter as Contingent Resources, Development not Viable. The assignment of reserves was based on an economic evaluation of a development using assumptions and forecasts of production, capex and opex prior to the drilling of wells 13/23c-9 and -11. The Capex requirement for facilities (tie-back to Bleo Holm FPSO) and well costs associated with this plan (in total more than £100 million) plus FPSO Opex costs, clearly render the present volumes uneconomic, and with no alternative plan, the entire volumes have now been classified as Contingent, Development not Viable.

Gas resources have been documented based on a range of simulated recovery factors, however since a new development plan has not been made, it is uncertain whether a sales gas stream is viable. The low case (1C) has been set to 0.

A commercial chance of success factor (COSc) or Risk Factor have not been estimated at this stage. Further appraisal is required in the Liberator area (Liberator West & Minos High) to determine the likelihood of a combined development.

7.2 Estimated Resources

Category	Oil MMstb	Gas Bscf	MMboe
1C	1.1	0.0	1.1
2C	5.3	2.9	5.7
3C	11.0	6.5	12.1

Table 7-1 Liberator East Resources

8 Preliminary Assessment of Liberator West and Minos High

8.1 Overview

The latest area definition map provided by i3 Energy divides the Liberator area into four regions. Liberator East includes wells 23d-8, 23c-9 and 23c-11 and is described fully in Sections 1-7 of this report. Liberator West and the Minos High are the focus of the assessment in this Section. Liberator South is not yet evaluated and was not previously defined in the 2019 Liberator CPR (Ref 1). It will be considered later as part of the ongoing TRACS evaluation of the Liberator area but is considered to carry a low geological chance of success (COSg) and is not discussed further in this report.

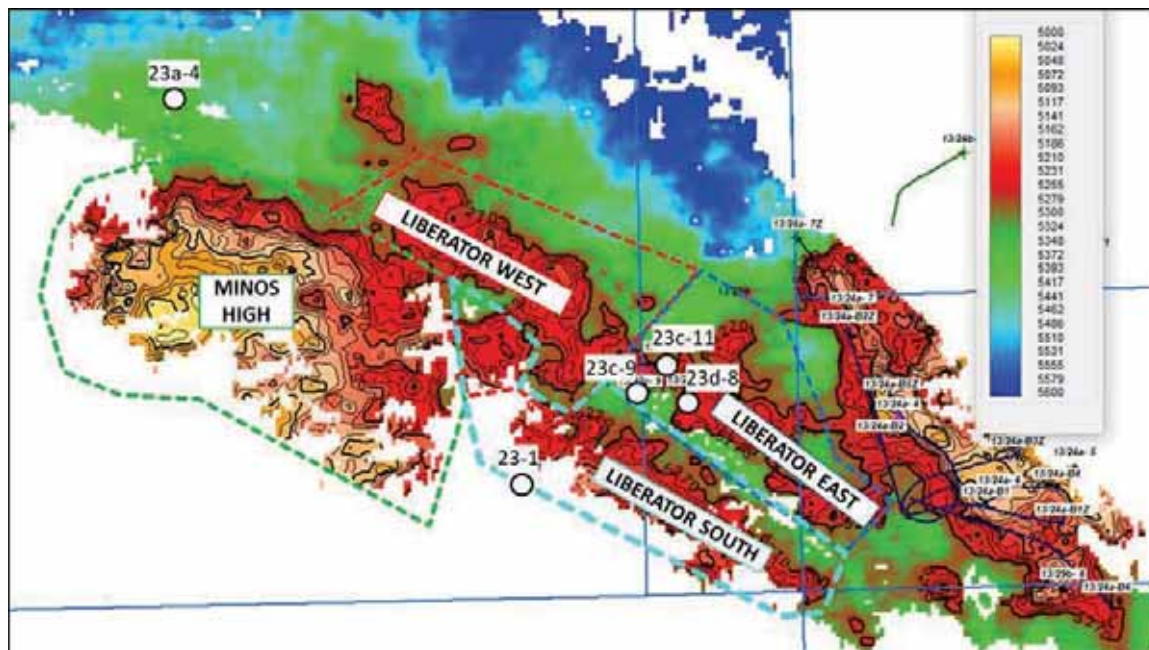


Figure 8-1 i3 current Liberator area designation

A revised resource classification was made based on the new well data, with reference to the revised i3 area designations illustrated above in Figure 8-1.

- Liberator West (formerly Phase 1 West). Resources in this area were previously described as Contingent Resources but are re-classified as Undiscovered; Prospective Resources. The 2019 Liberator wells 13/23c-9 and -11 have identified water between Liberator West culmination and the proven Liberator East oil pool. It is unclear whether the sands in this area are Upper or Lower Captain (or both). Hydrocarbons are yet to be proven in Lower Captain sands.
- Minos High (formerly Phase 2). The region around 23a-4. This area remains classified as Undiscovered; Prospective Resources.
- Liberator South. Not yet evaluated by TRACS but classified as Undiscovered; Prospective Resources.

8.2 Key Uncertainties

The following static and dynamic subsurface uncertainties were previously identified as significant for the Liberator West and Minos High areas in the 2019 Liberator CPR:

Static Uncertainties

- Depth (seismic) uncertainty (deep or shallow with respect to the reference case)
- Reservoir distribution (sand continuity)
- Fluid distribution, depth of the oil water contact and size and presence of gas caps

Dynamic Uncertainties

- Mobility of water within the transition zone
- Relative permeability

- Aquifer strength

Each factor was considered within the range of input parameter values selected for volumetric estimation as outlined in the 2019 Liberator CPR. Figure 8-2 highlights the depth uncertainty realisations previously implemented. There was assumed to be ± 50 ft departure from the reference case depth map at distances 2km away from well control.

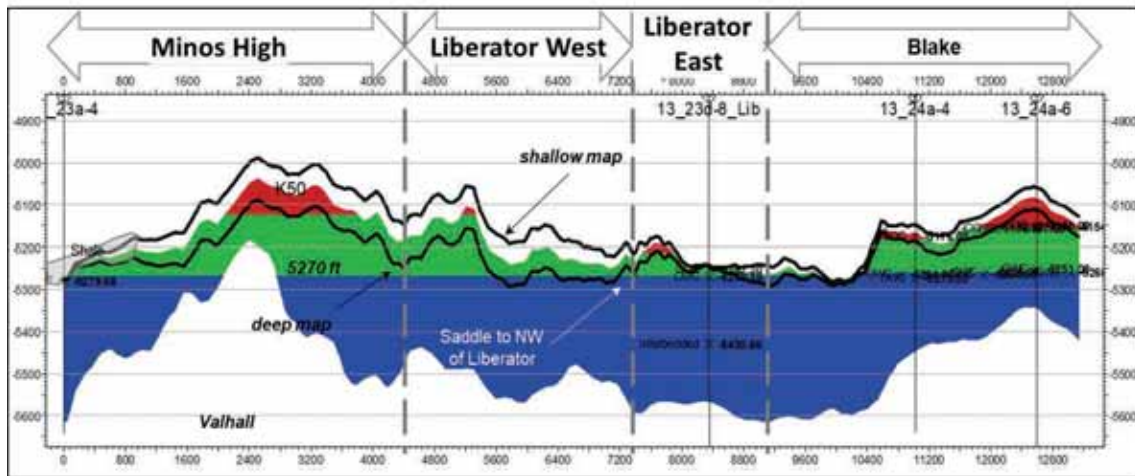


Figure 8-2 Illustration of top structure

The wide recovery factor range implemented in the 2019 CPR (20-50%) accounted for variation in hydrocarbon column thickness, and sand continuity and extent (impacting aquifer size). Generally, the average column height increases north-westward. The high case is analogous to the Blake field. The low case was derived from a low case simulation of the Liberator discovery area, which reflected a thin hydrocarbon column, high vertical permeability and thick high quality sand below the oil column, resulting in coning of water and reduced sweep despite optimum well placement and low drawdown.

8.2.1 Impact of new well and seismic data

Based on a preliminary assessment, the uncertainties identified in the previous volumetric assessment remain significant. The new 2019 well results and seismic have highlighted seismic pick uncertainty, i.e. the difficulties in accurately defining not only the top reservoir depth but also mapping of sand body continuity with the Captain Sandstone package, even at short distances away from well control. The 13/23c-9 well found a water-bearing Lower Captain sand that, based on correlation with the water-bearing Lower Captain sand in the Liberator discovery well (13/23d-8), is not in pressure communication with the regional dynamic aquifer.

The key conclusions and implications for Liberator West and the Minos High are:

- Seismic uncertainty means it is unclear which sands are present in Liberator West and the Minos High areas. Though it is possible that the proven, oil-bearing Upper Captain sands are universally present to the west of the Liberator well, it appears equally possible that Lower Captain sands (or other sands) are present over a wider area. Water-bearing Lower Captain Sands are present in the Liberator discovery well 13/23d-8 and the 2019 Liberator well 13/23c-11.
- Seismic depth uncertainty remains a key uncertainty. However, preliminary evaluation suggests the previous assumption of ± 50 ft at 2km away from well control adequately captures the range.
- Pressure data from the Lower Captain sand in 13/23d-8 shows it is not connected to the regional dynamic aquifer. This will potentially impact assumptions on aquifer size and Recovery Factor for volumetric scenarios where the Lower Captain sand is assumed present. There is also a risk that Lower Captain Sands are not charged (isolated from migration as not connected to the regional aquifer).

In the 2019 Liberator CPR, TRACS already considered the possibility that the sands encountered in 13/23a-4 are different to those observed in the Liberator area. The 13/23a-4 and 13/23d-8 wells are 8 km apart and both seismic and well-based correlations show how challenging it is to confidently correlate in the Minos High and Liberator West area (Figure 8-3 & Figure 8-4).

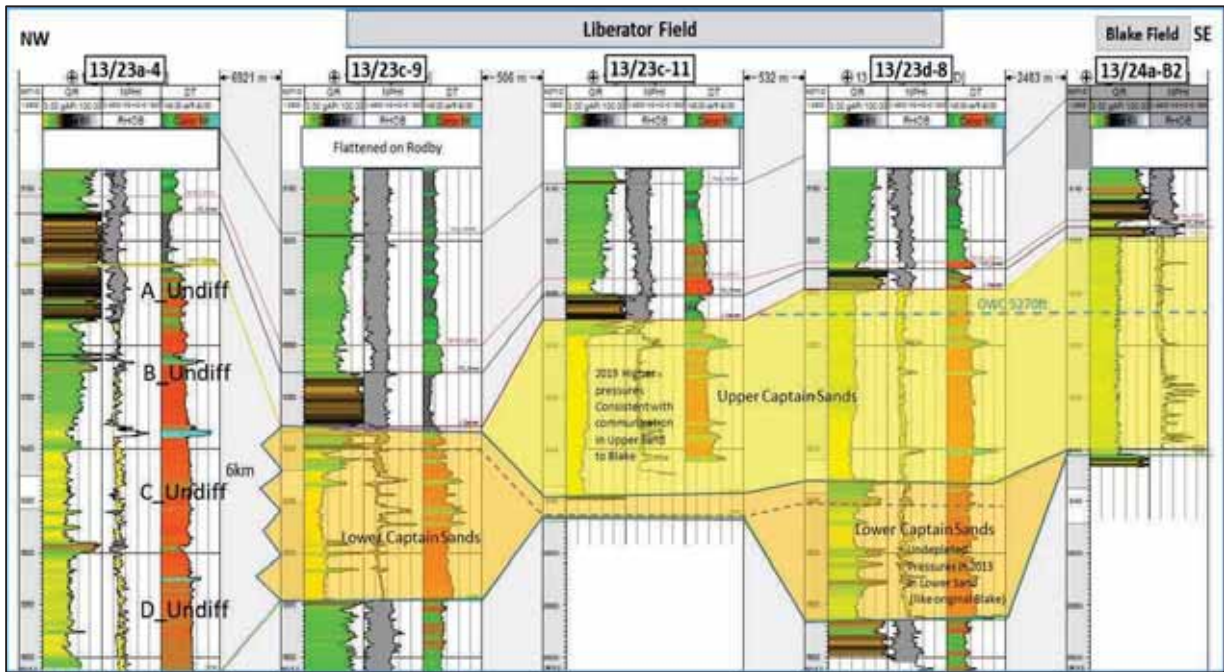


Figure 8-3 Well correlation panel

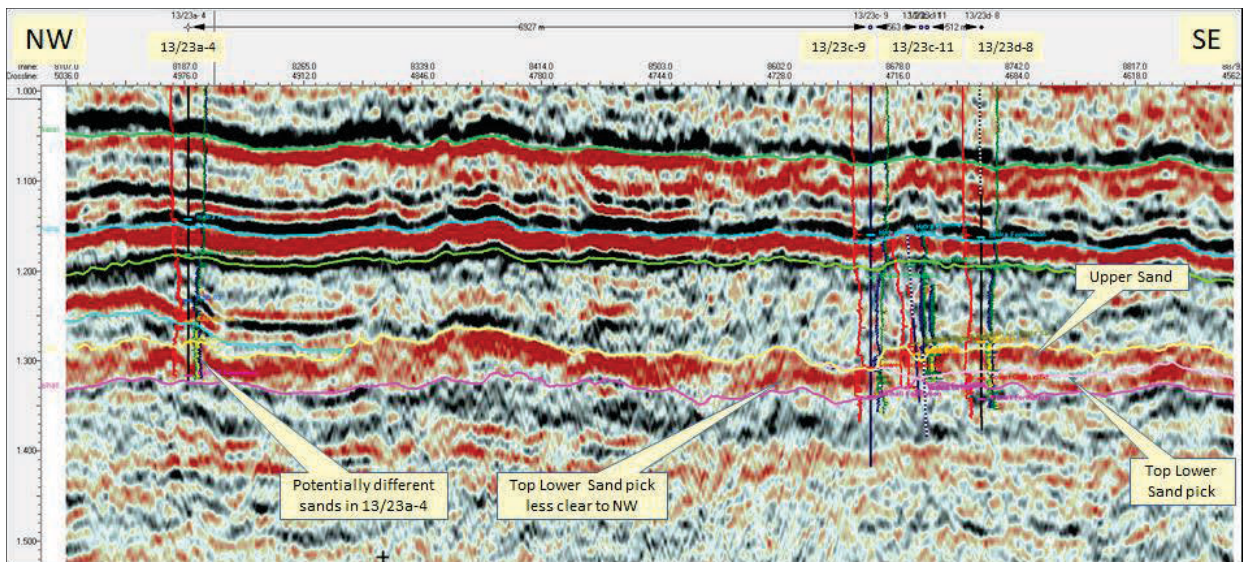


Figure 8-4 Seismic correlation

8.3 Preliminary Re-assessment of Resource Range

Based on a preliminary re-evaluation of the Liberator West and Minos based on the new seismic and well data, the following resource low-high range is suggested. At this stage of the analysis, nothing has been determined that invalidates the low-high range presented in the 2019 CPR, and so this is maintained. It should be stressed that TRACS have not yet fully re-evaluated these areas and that final estimates may change once the current work is matured.

Case	STOIIP MMstb		Recovery Factor	Scenario	Resources MMstb	
	Liberator West	Minos High			Liberator West (Prospective Resources)	Minos High (Prospective Resources)
Low	4	26	20 %	Liberator Simulation Low Case	1	5
High	103	329	50 %	Blake field type RF	52	165

Table 8-1 Provisional resource range, Liberator West and Minos High

The Low and High Case STOIIP are unlikely to materially change with further analysis on the present data set compared to the 2019 CPR since the previous input parameters are considered sufficiently wide to have captured the range in uncertainty in depth of top structure, position of the OWC and sand distribution. The Recovery Factor range accounts for uncertainties including variation in hydrocarbon column thickness, and sand continuity and extent (impacting aquifer size). Generally, the average column height increases north-westward. The high case is analogous to the Blake field. The Low Case was derived from a low case simulation of the Liberator discovery area, which reflected a thin hydrocarbon column, high vertical permeability and thick high quality sand below the oil column, resulting in cusping of water and reduced sweep despite optimum well placement and low drawdown. The previously implemented Recovery Factor range is deemed sufficiently wide for the purposes of high level preliminary assessment. Going forward, however, consideration will be given in a low case for more limited aquifer size and strength, based on geological evaluation of continuity within the Captain Sands, resulting in potential disconnection from the regional aquifer.

A provisional geological change of success (COS_g) is also presented here for both Liberator West and Minos High:

$COS_g = 42%$: A combination of Trap 75%, Reservoir presence 75%, Charge 75%

Compared to the previous 2019 CPR, an additional charge risk is considered, given that the Captain sands here could be different to the Liberator East discovery area (Lower Captain, or other), not connected to the regional aquifer and potentially isolated from charge.

9 References

1. TRACS International Limited: North Sea, Liberator Field Competent Person's Report Update 2019, September 2019

10 Glossary of Terms

\$	US Dollars	HCDT	Hydro-Carbon Down To
%	percent	HCWC	Hydro-Carbon Water Contact
°C	Degrees Celcius	IRR	Internal Rate of Return (from MOD cashflows)
2D	Two Dimensional	JV	Joint Venture
3D	Three Dimensional	K	Permeability
API	American Petroleum Institute	km	Kilometre
AVO	Amplitude Variation with Offset	km ²	Square kilometres
Av Phi	Average Porosity (from log evaluation)	m	metre
Av Sw	Average water Saturation (from log evaluation)	Mbbls	thousand barrels of oil (unless otherwise stated)
bbls	Barrels	Mboe	thousand barrels of oil equivalent
Bscf	Billion standard cubic feet of natural gas	Mbopd	thousand barrels of oil per day
bfpd	Barrels of fluid per day	Mcf	thousand cubic feet
boe	barrels of oil equivalent	Mcfd	thousand cubic feet per day of natural gas
boepd	barrels of oil equivalent per day	MD	Measured Depth
bopd	barrels oil per day	mD	milli Darcies
bpd	barrels per day	MM	million
bwpd	barrels of water per day	MMbbls	million barrels of oil
Cali	Caliper	MMstb	million stock-tank barrels of oil
Capex	capital expenditure	MMbo	million barrels of oil
CGR	Condensate Gas Ratio	MMboe	million barrels of oil equivalent
cm ³	cubic centimetre	MMcf	million cubic feet of natural gas
m ³	cubic metre	MMscfd	million cubic feet of natural gas per day
COCS	Chance of Commercial Success	MOD	Money Of the Day
CPI	Computer Processed Interpretation (of logs)	N/G	Net to Gross
CT	Corporation Tax	Neu	Neutron log
Den	Density log	NFA	No Further Activity
D res	Deep resistivity log (deep investigation)	NPV	Net Present Value
DST	Drill Stem Test	OBC	Ocean Bottom Cable
DT	Sonic log	ODT	Oil Down To
E & A	Exploration & Appraisal	OML	Oil Mining Licence
ft	feet	Opex	operating expenditure
FTHP	Flowing Tubing Head Pressure	OPL	Oil Prospecting Lease
FWL	Free Water Level	OUT	Oil Up To
G & G	Geological and Geophysical	OWC	Oil Water Contact
Gas sat	Gas saturation	P & A	Plugged and Abandoned
GDT	Gas Down To	p.a.	per annum
GIIP	Gas Initially In Place	P10	10% probability of being exceeded
GOR	Gas to Oil Ratio	P50	50% probability of being exceeded
GR	Gamma Ray log	P90	90% probability of being exceeded
GRV	Gross Rock Volume	POS	Possibility Of Success
GUT	Gas Up To	ppm wt	Parts per million by weight
GWC	Gas Water Contact	PRMS	Petroleum Resource Management System

Liberator Competent Person's Report Update 2020

PSC	Production Sharing Contract	ss	subsea
psi	pounds per square inch	STOIIP	Stock Tank Oil Initially In Place
psia	pounds per square inch absolute	Sw	water Saturation
PV	Present Value	Swavg	average water Saturation
PVT	Pressure Volume Temperature	Sxo	water Saturation in invaded zone
RF	Recovery Factor	TD	Total Depth
RFT	Repeat Formation Tester	tvd	true vertical depth
RROR	Real Rate of Return (from RT cashflows)	tvdss	true vertical depth subsea
RT	Real Terms	tvt	true vertical thickness
SG	Specific Gravity	TWT	Two-Way Time
SMT Kingdom	a PC-based interpretation workstation	WI	Working Interest
SPE	Society of Petroleum Engineers		
sq km	square kilometres		
S res	Short resistivity log (shallow investigation)		

Appendix A – Summary of 2018 SPE Petroleum Resource Management System Classification

The following table has paragraphs that are quoted from the 2018 SPE PRMS Guidance Notes and summarise the key resources categories, while Figure A 1 shows the recommended resources classification framework.

Class/Sub-class	Definition
Reserves	Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions.
On Production	The development project is currently producing and selling petroleum to market.
Approved for Development	All necessary approvals have been obtained, capital funds have been committed, and implementation of the development project is under way.
Justified for Development	Implementation of the development project is justified on the basis of reasonable forecast commercial conditions at the time of reporting, and there are reasonable expectations that all necessary approvals/contracts will be obtained.
Contingent Resources	Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies.
Development Pending	A discovered accumulation where project activities are ongoing to justify commercial development in the foreseeable future.
Development on Hold	A discovered accumulation where project activities are on hold and/or where justification as a commercial development may be subject to significant delay.
Development Unclarified	A discovered accumulation where project activities are under evaluation and where justification as a commercial development is unknown based on available information.
Development Not Viable	A discovered accumulation for which there are no current plans to develop or to acquire additional data at the time due to limited production potential.
Prospective Resources	Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.
Prospect	A project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target.
Lead	A project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation to be classified as a Prospect.
Play	A project associated with a prospective trend of potential prospects, but that requires more data acquisition and/or evaluation to define specific Leads or Prospects.

Table A 1 Summary of 2018 SPE Petroleum Resources Classification

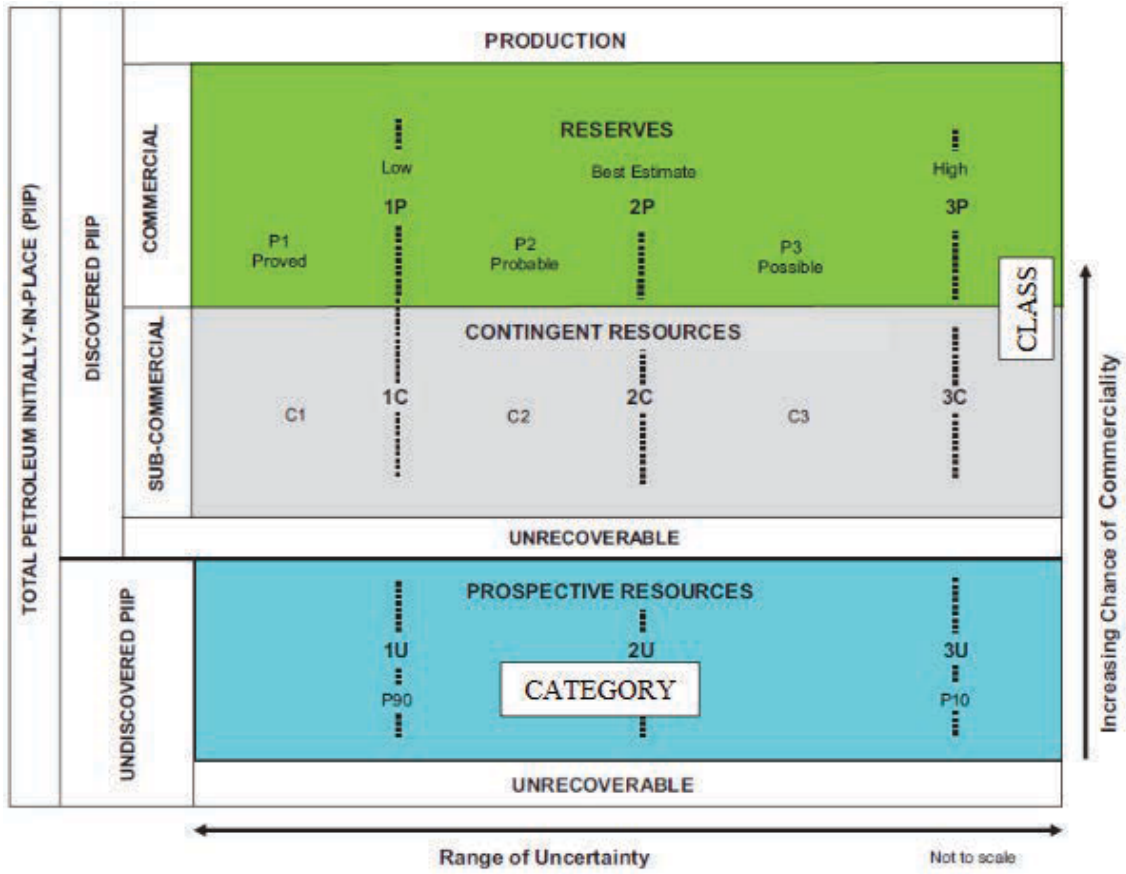


Figure A 1 SPE PRMS Petroleum Resources Classification Framework



North Sea, Serenity Discovery

Competent Person's Report 2020

For: i3 Energy plc & W H Ireland Limited

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■ 2020

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This report was prepared in accordance with standard geological and engineering methods generally accepted by the oil and gas industry, in particular the 2018 SPE PRMS. Estimates of hydrocarbon reserves and resources should be regarded only as estimates that may change as further production history and additional information become available. Not only are reserves and resource estimates based on the information currently available, these are also subject to uncertainties inherent in the application of judgemental factors in interpreting such information. TRACS International Limited shall have no liability arising out of or related to the use of the report.

Status: Final

Date: [REDACTED] 2020

Revision: 03

Prepared by: Jill Marriott

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Project Manager

Jill Marriott

Approved by: Jerry Hadwin

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Reviewer

Jerry Hadwin

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Authorised for release by

Jill Prabucki

Qualification

TRACS International Limited was founded in 1992, and currently has over 40 petroleum engineers, geoscientists and petroleum economists working from two office locations. TRACS has extensive reserves and asset valuation experience and are recognised as industry reserve, risk and valuation experts.

The Serenity Discovery evaluation was performed by senior TRACS staff with a combined 120+ years in the oil and gas industry. The team members all hold at least a bachelor's degree in geoscience, petroleum engineering or related discipline.

This assessment has been conducted within the context of the TRACS understanding of the effects of petroleum legislation, taxation, and other regulations that currently apply to the P.1987, Block 13/23d and P.2358, Block 13/23c. However, TRACS is not in a position to attest to property title, financial interest relationships or encumbrances thereon for any part of the appraised properties.

It should be understood that any determination of resource volumes, particularly involving petroleum developments, may be subject to significant variations over short periods of time as new information becomes available and perceptions change. This is particularly relevant to exploration activities which by their nature involve a high degree of uncertainty.

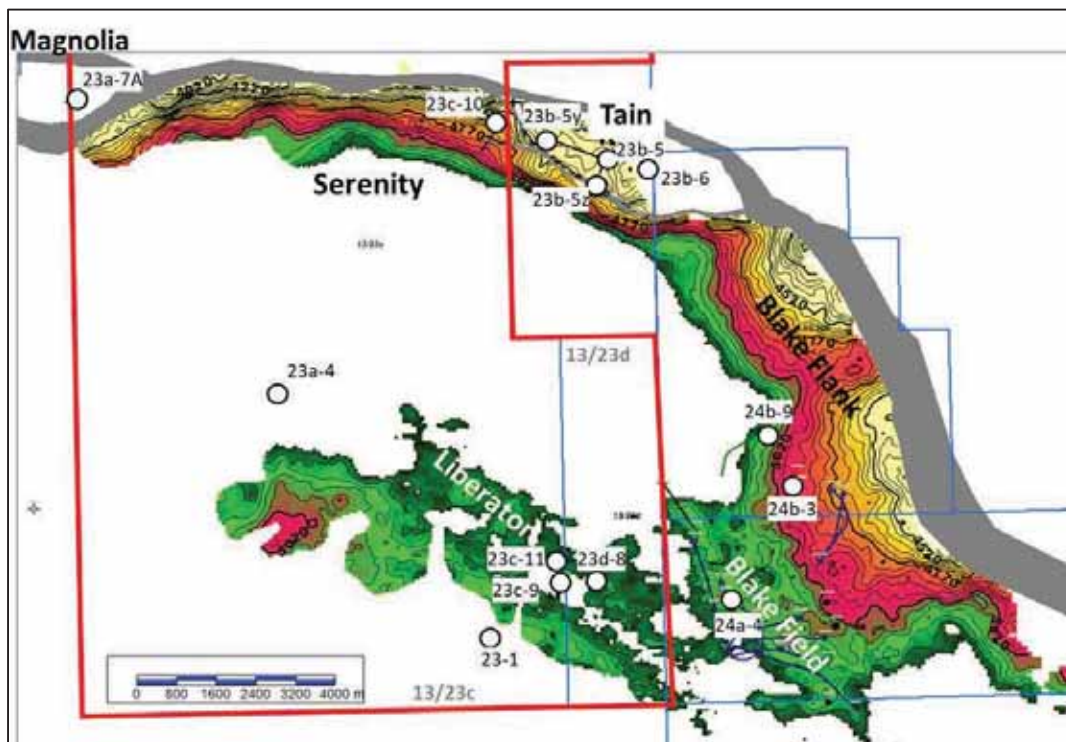
All volumetric calculations are based on independent mapping undertaken by TRACS using data provided to TRACS. The reservoir properties input to the volumetric calculations and the associated volume uncertainty ranges are based on TRACS experience over more than 20 years of performing evaluations, and the statement on risking in this report represents the independent view of TRACS.

The resource estimates presented in this report have been prepared in accordance with reserves definitions presented in the SPE's Petroleum Resources Management System ("SPE-PRMS" summary in Appendix A), and the risking of contingent and prospective resources has been done in accordance with the LSE/AIM Guidance note for Mining, Oil and Gas Companies - June 2009 ("LSE/AIM Guidelines").

Executive Summary

i3 Energy (i3) commissioned a Competent Person’s Report (CPR) to assess the resource potential of the Serenity discovery, found by well 13/23c-10. The well is located 129 km north-east of Aberdeen, in the South Halibut Basin of the Moray Firth Province, within UKCS Block 13/23c, licence P.2358. i3 hold 100% interest in the licence block, which was awarded to i3 Energy in the 30th UK Offshore Licensing Round. The licence also contains an extension of the Liberator discovery in the south of the block. Liberator extends eastwards on to UKCS Block 13/23d, license P.1987, also operated by i3 Energy.

This evaluation builds upon a pre-drill evaluation of the Serenity discovery undertaken by TRACS. The work is now updated with well data from the Serenity discovery well (13/23c-10) drilled in October 2019. STOIIP and resource estimates in this report concern the Serenity discovery only, on block 13/23c.



Location map clipped at the 5270ft depth contour

The report has been prepared to be included in an appendix to the AIM admission document prepared and published in accordance the AIM Rules for Companies of the London Stock Exchange (LSE). This CPR was prepared in compliance with the “AIM Note for Mining, Oil and Gas Companies, June 2009”, as published by the London Stock Exchange. Estimates of resources are prepared in accordance with resource definitions presented in the SPE’s 2018 Petroleum Resources Management System (“SPE-PRMS”).

Block	Licence	Asset	Operator	Interest	Status	Area (km ²)	Expiry
UKCS Block 13/23c	P.2358	Serenity	i3 Energy	100%	Production (Extant)	187.1	30/09/2042 (anticipated)

Summary of Licensing Interest

Any future development of this asset will be subject to UKCS taxation system, which will amount to 40% (Corporation Tax plus Supplementary Charge). No royalty is applicable to this licence.

Development planning is at a preliminary stage, and no economic value or development Risk Factor has been determined. Export could conceptually take advantage of existing infrastructure associated with the ongoing development of the adjacent Tain Field (operated by Repsol Sinopec, RSRUK) or, if sufficient volumes are firmed up by planned appraisal, through a stand-alone FPSO. Since no development or export option has been determined, associated gas has not been considered as sales volumes in this report.

At this stage, the calculated resources have been classified as "Contingent, Development Unclassified". Contingencies include the technical requirement for further appraisal, and non-technical, in the event of a lower in-place volume development, requiring an agreement with the Tain infrastructure owners.

The resultant, unrisksed contingent resource volumes are shown below.

i3 Energy Working Interest 100%, Unrisksed										
Asset	Resource Category	Company Share Gross Resources				Company Share Net Resources				Risk Factor
		Oil (MMstb)	Sales Gas (MMscf)	NGL (MMbbl)	BOE (MMbbl)	Oil (MMstb)	Sales Gas (MMscf)	NGL (MMbbl)	BOE (MMbbl)	
Serenity, Block 13/23c	1C	2.4	-	-	2.4	2.4	-	-	2.4	N/A
	2C	16.2	-	-	16.2	16.2	-	-	16.2	
	3C	115.2	-	-	115.2	115.2	-	-	115.2	

Serenity Resource Summary

Evaluation Summary

The Serenity discovery well penetrated the eastern part of the elongate west-east Serenity prospect and encountered a thin (11 ft) oil-bearing sand interpreted as Captain Sandstone. The Serenity discovery is adjacent to the Tain discovery (drilled in 2005) and the producing Blake field. Based on an evaluation of the available data, i3 Energy believe that Serenity could be a down-dip extension to the Tain oil discoveries and that both Tain and Serenity could share a common OWC with Blake and Liberator as deep as 5270ft. i3 consider the moderate to high seismic amplitudes observed at Top Rødby in Serenity as an indication of oil-filled sands. The trapping mechanism is stratigraphic with pinch-out of Captain sands to the north against the Halibut Horst. To the west, i3 consider that the reservoir sand thickens significantly; on-depositional trend with the 9-km distant Magnolia well (13/23a-7A), which encountered Captain sands approximately 100 ft thick. In order to trap the structure, i3 invoke a stratigraphic closure (channel fairway edge) in this western region since there is no independent structural closure.

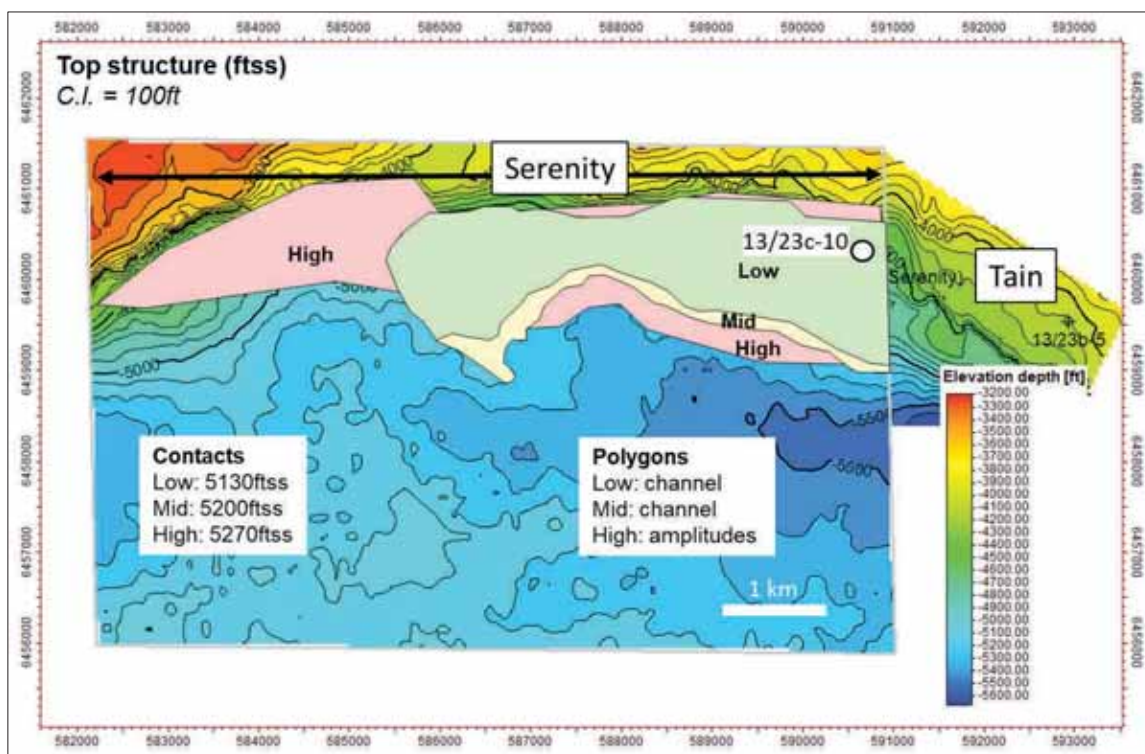
This report deals with 13/23c-10 well results, and what key uncertainties remain post-drill. Based on an integrated assessment, the following uncertainties are considered to have the most significant impact on in-place volumetric estimates:

- Net sand thickness (gross thickness and net-to-gross (N/G))
- Lateral extent and continuity of oil-bearing sand
- Depth of the oil-water-contact (OWC)

A geophysical investigation of well ties, tuning effects and amplitude analysis was undertaken to establish whether an amplitude response seen at Top Rødby is indicative of an oil-filled Captain Sandstone. Based on modelling, TRACS conclude that amplitudes cannot be reliably used as an unequivocal indicator of either fluid fill or net sand thickness. The seismic response is interpreted to be compromised by a 'tuning' effect, which is caused by interference of reflectors and is consistent with stratigraphic thinning at the northern edge of the basin. In the western part of the structure, where stratigraphic closure is required, TRACS consider the possibility of an alternative channel fairway edge with a more easterly position compared to i3. This is based on a change in observed seismic character in the western part of Serenity.

As a result, TRACS' Mid and Low Case STOIIIP assumes more limited lateral extent and continuity to the west (channel polygon) and uses net sand thickness assumptions that are guided more by the Serenity well result and seismic character than the Magnolia well data nearly 9km away from the Serenity well. Nevertheless, TRACS consider that other interpretations are credible and adopt the full i3 amplitude polygon and more optimistic net thickness assumptions for high case STOIIIP inputs.

TRACS agree that an OWC as deep as 5270 ft tvdss is feasible but that a shallower OWC at 5130 ft tvdss is also possible given the pressure data available and associated uncertainty. TRACS consider a low to high case OWC range from 5130-5270 ft with a mid-point at 5200 ft.



Top structure map with volumetric cases illustrated

Three deterministic STOIIP cases representative of Low-Mid-High cases, were established combining a range of values for those parameters with the greatest impact. The resulting in-place volumes are summarised below.

Case	OWC (ft tvdss)	Polygon	GRV (10 ⁶ m ³)	N/G (fr)	Net sand (ft)	PHI (fr)	So (fr)	FVF (v/v)	STOIIP (MMstb)
Low	5130	Serenity channel	100	0.18	11	0.28	0.6	1.17	16
Mid	5200	Serenity channel	129	0.25	16	0.32	0.75	1.15	42
High	5270	Rødby amplitude	207	0.72	50	0.34	0.85	1.13	240

Summary of TRACS STOIIP inputs and results

Case	TRACS STOIIP (MMstb)	i3 Energy STOIIP (MMstb)	Case
Low	16	109	P90
Mid	42	190	P50
High	240	273	P10

Comparison of STOIIP results

The TRACS STOIIP estimates are lower than the i3 Energy volumes and this can be attributed to:

- smaller net sand thickness used by TRACS – driven by seismic character and observations in the Serenity and Tain wells
- use of more limited sand polygon in the TRACS Low and Mid case – driven by seismic character
- use of shallower contact in TRACS' Low and Mid case; all 3 cases generated by i3 Energy use an OWC of -5270 ft tvdss

Subject to funding and potential farm-out activities, i3 Energy anticipate further 2020 appraisal drilling on the Serenity and Liberator accumulations. No firm development plans exist at present, though it is possible

that that Serenity could be produced as a phased development across existing infrastructure, initially as a single well tie-back to the Tain development, which has first oil targeted for Q3 2022 via the Bleo Holm FPSO. Should further appraisal of Serenity prove significant additional volumes to the west, it is likely that the production volumes would justify a standalone FPSO development.

Given the uncertainty associated with volumes in place, only a high level assessment of recovery factors was undertaken taking into account information available from Blake and Liberator fields and the results of an i3 preliminary reservoir simulation. The recovery factor range reflects a range of potential recovery mechanisms and number of wells. The Low case is based on the low STOIIP case, assumes a single development well and poor connectivity to aquifer pressure support; hence the single well produces via depletion and solution-gas-drive processes with a recovery factor of 15%. In the Mid case a second phase of development including waterflood is invoked, with 2 further producers and 2 injectors. A moderate areal sweep efficiency of 70% is assumed giving total recovery factor of 39%. In the High case the water flood development includes a further 3 producers and 3 injectors. A higher areal sweep efficiency of 80% is assumed giving total recovery factor of 48%.

Case	STOIIP (MMstb)	Recovery Factor	Recoverable oil (MMstb)
Low	16	15%	2.4
Mid	42	39%	16.2
High	240	48%	115.2

STOIIP and Recovery Factor range

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1 Introduction

i3 Energy (i3) have commissioned a Competent Person's Report (CPR) to assess the resource potential of the Serenity discovery in accordance with resource definitions presented in the SPE's 2018 Petroleum Resources Management System ("SPE-PRMS", Appendix A – Summary of 2018 SPE Petroleum Resource Management System Classification). The report has been prepared to be included in an appendix to the AIM admission document prepared and published in accordance the AIM Rules for Companies of the London Stock Exchange (LSE). This CPR was prepared in compliance with the "AIM Note for Mining, Oil and Gas Companies, June 2009", as published by the London Stock Exchange.

This CPR builds upon a pre-drill evaluation of the Serenity Prospect, prior to discovery, undertaken by TRACS. This work is now updated with well data from the Serenity discovery well (13/23c-10) drilled in October 2019.

1.1 Overview

The Serenity discovery well, 13/23c-10, is located 129 km northeast of Aberdeen in the South Halibut Basin of the Moray Firth Province (Figure 1-1). The Serenity well is situated down-dip and approximately 1.5 km west of the 2005 Tain discovery, which is itself located northwest of the producing Blake field (hosted by the Bleo Holm FPSO).

The well penetrates the eastern part of the elongate west-east Serenity structure in Lower Cretaceous Captain Sands. Based on an evaluation of the available data, i3 Energy believe that Serenity could be a down-dip extension to the Tain oil discoveries and that both Tain and Serenity could share a common oil-water-contact (OWC) with Blake and Liberator as deep as 5270 ft tvdss. The trapping mechanism is stratigraphic with likely pinch-out of Captain sands to the north against the Halibut Horst. To the west, i3 consider that the reservoir sand thickens considerably; on-depositional trend with the Magnolia well (13/23a-7A), which encountered Captain sands more than 100 ft thick. In order to trap the structure, i3 also invoke a stratigraphic closure (channel fairway edge) in this western region since there is no structural closure.

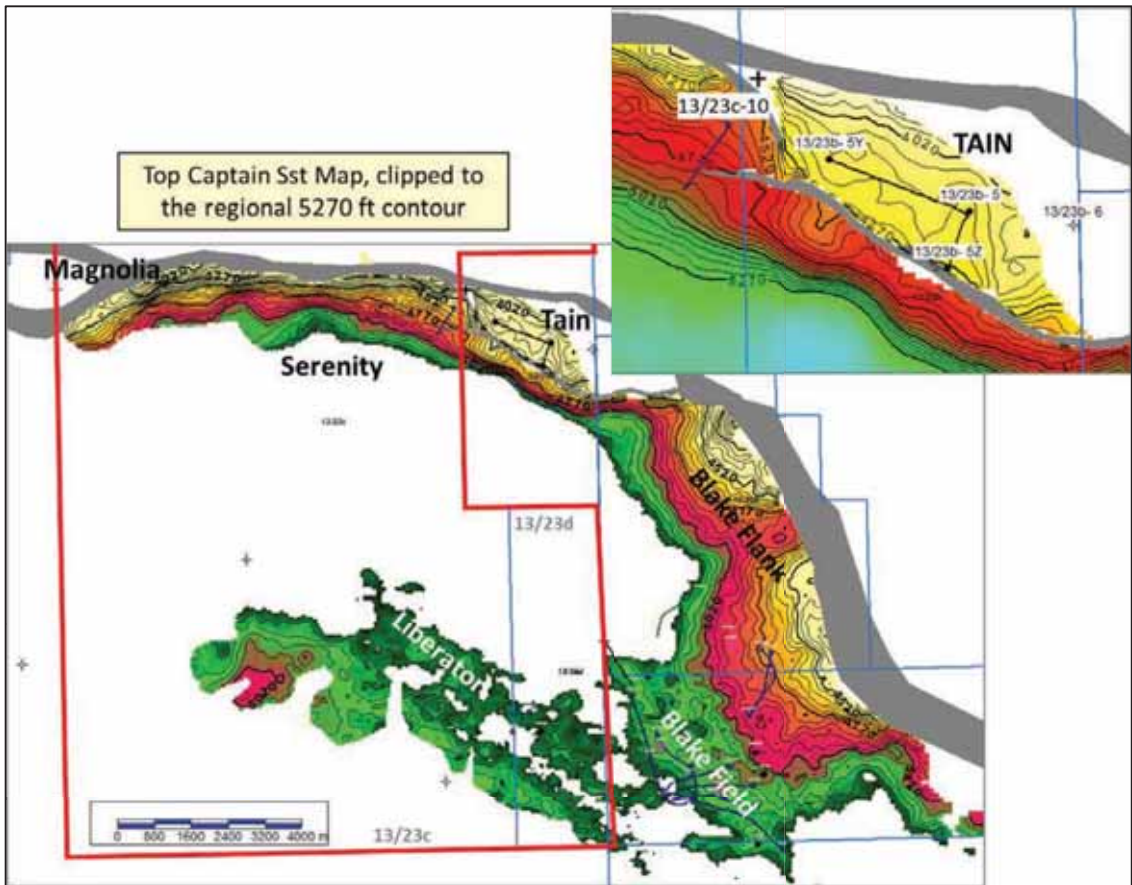


Figure 1-1 Serenity well location map

The Serenity exploration well was drilled in October 2019 at the eastern end of the prospect in a relatively crestal position, encountering a thin (11 ft), but high net-to-gross, oil-bearing sandstone with excellent reservoir quality in the upper part of the Captain Sands, assigned informally by i3 to the K50 sequence stratigraphy interval. Figure 1-2 summarises the key findings. The oil-bearing sand was encountered at a depth of 4729 ft tvdss with an oil-down-to (ODT) at 4747 ft tvdss below a silt-dominated interval containing an oil-bearing, but very thin, sandstone stringer. i3 assign the oil-bearing sand to a K50.3 sub-unit, with the underlying water-bearing sandstones assigned to K50.2.

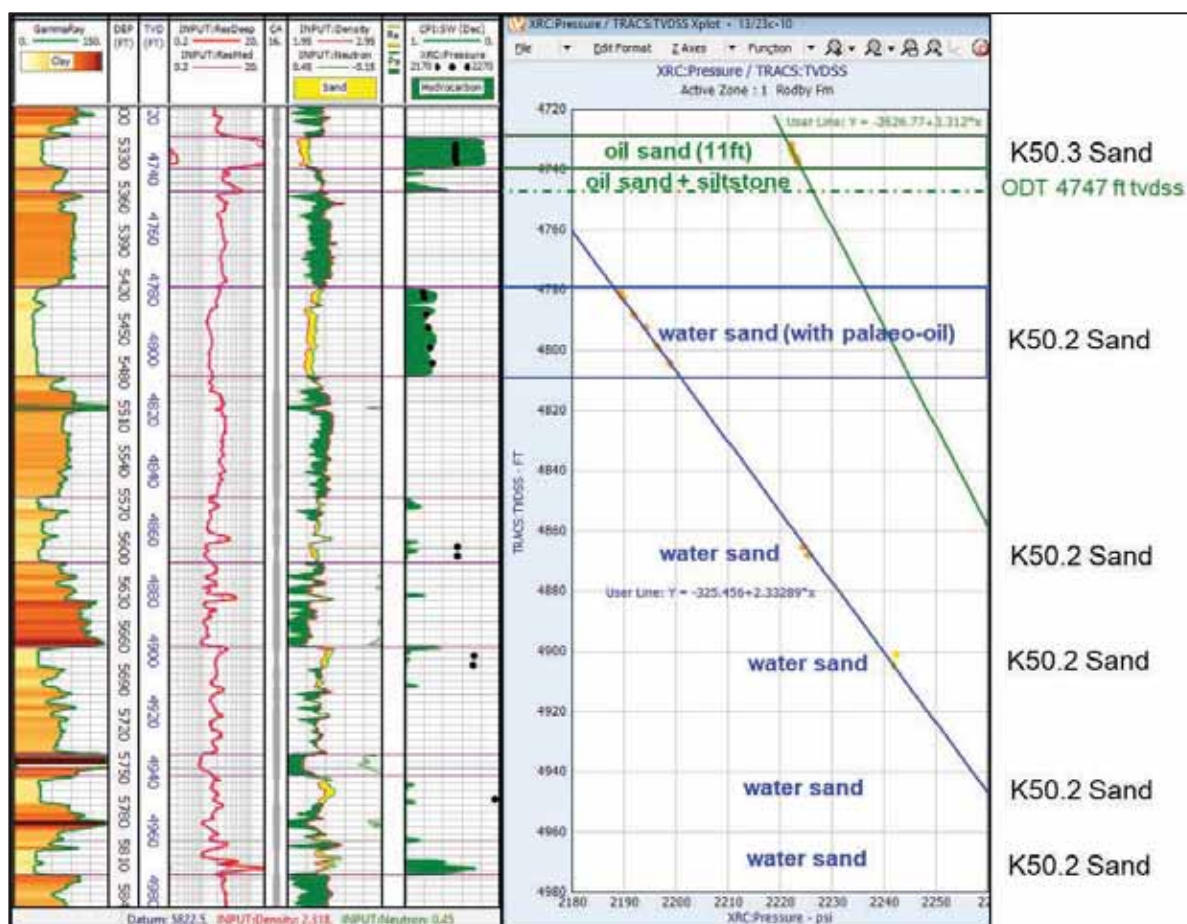


Figure 1-2 Overview of 13/23c-10 (Serenity) well results

MDT pressure data confirms an oil gradient in the K50.3 unit and a common water gradient for all the K50.2 sands. The uppermost K50.2 sand contains residual oil and suggests the existence a palaeo-OWC deeper than the current contact. Palaeo-OWCs are a well-documented phenomenon in the Captain sands, consistent with eastern tilting of the basin during the early Tertiary which resulted in re-migration of hydrocarbons generally in a westerly direction. Basin modelling by i3 Energy is consistent with published literature in this respect.

This report deals with Serenity discovery and addresses the in place and resource potential on 13/23c block only, together with classification and commercial risking of resources according to SPE-PMRS guidelines. An economic evaluation has not been conducted because of the remaining uncertainty in volumes, and lack of maturity and clarity in defining a development plan. On this basis, the potentially recoverable volumes are defined as Contingent Resource – Development Unclearified.

1.2 Licence history, burdens and current status

i3 Energy hold a 100% interest in the P.2358 licence, Block 13/23c, which was awarded in 30th UK Offshore Licensing Round in May 2018, with one firm well as a drilling commitment. In autumn 2019, i3 Energy embarked on a 3-well drilling campaign that included the Serenity Prospect (13/23c-10) and two further wells on the Liberator structure (13/23b-9 & -11), thus fulfilling the terms of the licence commitment.

The licence will be operated under the UK tax and royalty system. At present there is no royalty charge on production for new fields in the North Sea. Taxation (Corporation Tax and Supplementary Charge) amounts to 40% of profits. The volumes presented in this report are gross working interest resources, however since there are no royalties or working interest partners, all volumes are attributable to i3 Energy.

1.3 Future activity

Subject to funding and potential farm-out activities, i3 Energy anticipate further 2020/21 appraisal drilling on the Serenity and Liberator accumulations. According to public statements, i3 Energy anticipate an appraisal programme would focus on Serenity (two wells plus side-tracks) with an additional two-well option for the Liberator West/Minos high area. A farm-out process is ongoing with parties in i3's data room.

No firm development plans exist at present, though it is possible that that Serenity could be produced as a phased development across existing infrastructure in the initial phase. It is possible that Serenity could be developed initially as a single-well tie-back into the Tain development. Public statements from the partner in the Tain field indicate the Tain project will be moving towards FDP mid-2020 based on a 2 well tie-back, via dedicated pipeline (19 km) to the Bleo Holm FPSO. The Tain operator, Repsol Sinopec Resources UK (RSRUK), issued an environmental statement for the proposed Tain development in March 2020 and first oil is targeted for Q3 2022.

Should further appraisal of Serenity prove significant additional volumes to the west, it is likely that the production volumes would justify a standalone FPSO development.

1.4 Data available

The assessment was carried out using well data from the Serenity discovery (13/23c-10) but also includes material provided for a pre-drill evaluation of the Serenity Prospect together with previous work undertaken on the Liberator accumulation and MDT pressure data from the latest Liberator well (13/23b-11). Relevant data from the previous evaluations include:

- Seismic data and interpretation extending over Serenity prospect together with Liberator, Tain and Blake fields.
- Well data for various exploration wells, including the Tain area.
- A regional dynamic model extending over the Serenity-Tain-Blake-Liberator area.

Details of data provided are described in subsequent chapters. There were no data gaps identified which could impede TRACS in carrying out the assessment in accordance with SPE-PRMS. i3 were forthcoming with all requests for further information and clarifications.

1.5 Key uncertainties

Key uncertainties identified for the discovery are listed below and are reflected in the range of input parameter values selected for volumetric estimation. Though the Serenity well was a success, the oil-bearing sand is thin at the well location and the well was drilled in an up-dip location such that the oil column is represented by a shallow ODT. Significant subsurface uncertainty remains and relies on interpretation and extrapolation of key parameters away from the wellbore.

Subsurface Uncertainties:

- Net sand thickness; gross thickness and net-to-gross (N/G)
- Fluid distribution – Depth of oil-water-contact (OWC)
- Lateral extent and continuity of reservoir sands
- Recovery factor associated with recovery mechanism

Input assumptions for in place and recoverable resources and assessment of uncertainties are documented in further detail in subsequent chapters.

2 Geology Overview

2.1 Wells considered

The Serenity discovery well 13/23c-10 lies in block 13/23c immediately to the west and down-dip of the Tain discovery and 3 km west of the northern part of the Blake Field. A number of exploration and development wells have been considered for their regional stratigraphic context but also as input into understanding of the dynamic regional aquifer pressure history. The location of key offset wells is shown in Figure 2-1.

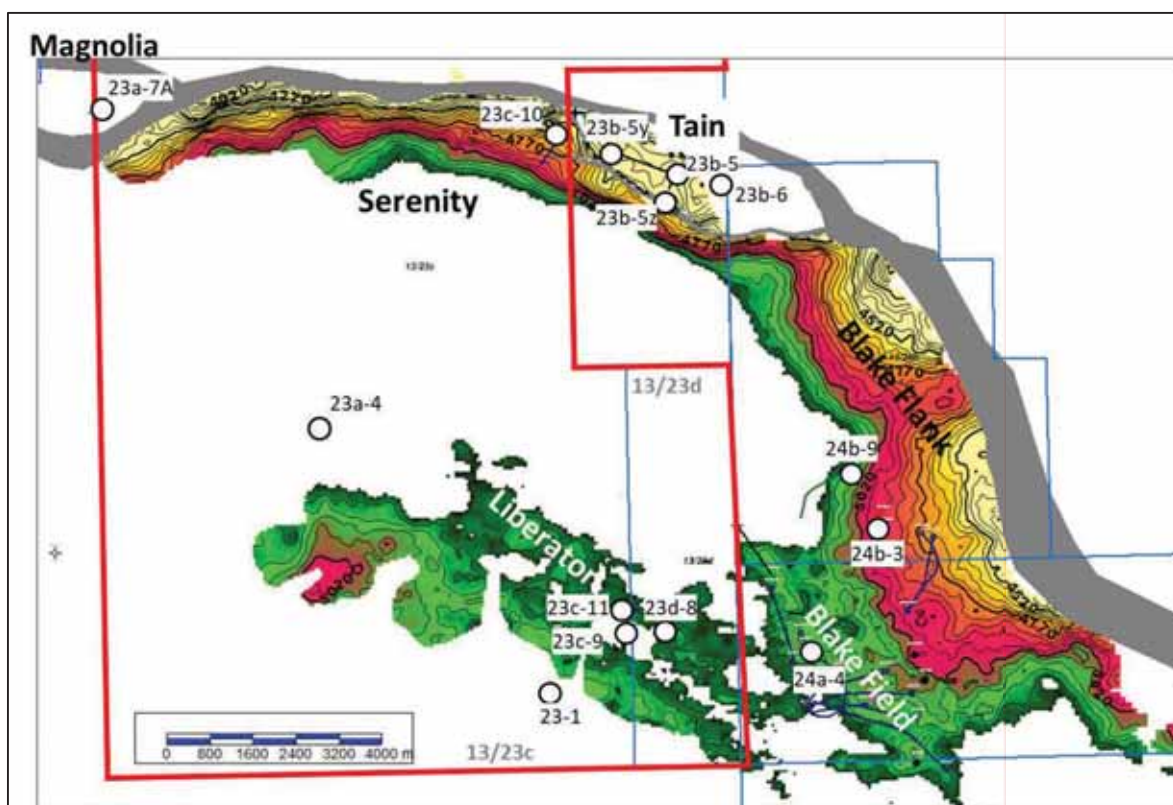


Figure 2-1 Well location map

2.2 Well correlation

A correlation panel across the Serenity discovery area is shown in Figure 2-2. This runs from the 13/23a-7A well in the north (which targeted the Magnolia prospect, dry hole) eastwards across the Serenity well 13/23c-10, Tain wells 13/23b-5y & -5z and then further south to the Blake Field discovery well, 13/24a-4.

The top reservoir sand is clearly observed on logs. The top Captain Sandstone sits approximately 45 feet below the Top Rødby Formation in the Magnolia-Serenity-Tain area but lies at >100 feet below Top Rødby in the Blake-Liberator region. The top sand is generally considered to coincide with the top of the K50 sequence, which spans the Late Aptian to Early Albian age.

From these wells, the Captain Sandstone package in the Serenity-Tain area can be seen to be lithologically heterogeneous with a predominantly interbedded sandstone and shale character. i3 Energy adopt an informal 3-fold subdivision of the K50 Captain sands into K50.1, K50.2, K50.3 based on regional mapping of discrete seismic packages integrated with well data, and the relative sand body positioning with respect to Top Rødby (Figure 2-3). It is not known how much chronostratigraphic data has been used to draw this conclusion as post-well biostratigraphy studies were still ongoing at the time of the evaluation. It is also unclear to what extent biostratigraphy is capable of unambiguously resolving K50 subdivisions. Nevertheless, i3 interpret the Serenity oil sand as belonging to the uppermost K50.3 unit which they correlate with the uppermost thin sands in the Tain area to the east. Some 9 km to the west, the Magnolia well 13/23a-7A comprises an uppermost sand that is thicker and better quality, and interpreted by i3 to represent a thickening of the K50.3 unit to the west.

The Captain Sandstone facies is different in the Blake-Liberator area which has a much better developed 'massive channel' character assigned to the slightly older K50.1 unit, though the Blake Flank area Captain Sands (K50.2) are notably thinner and more heterogeneous.

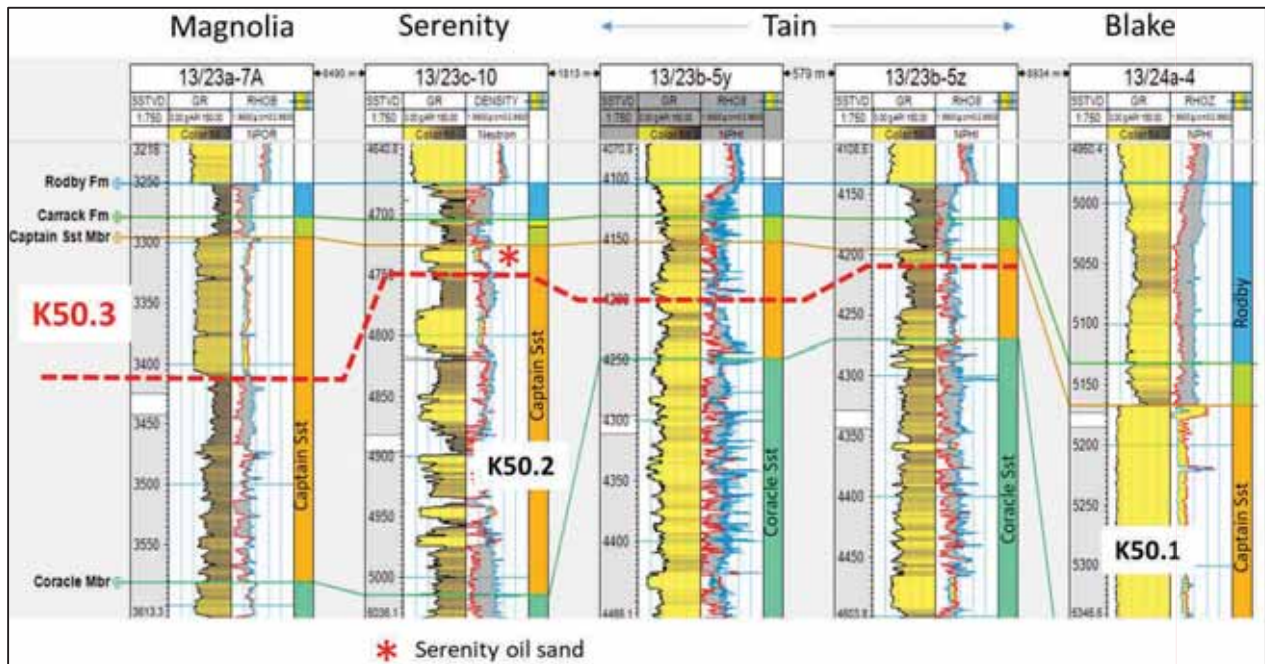


Figure 2-2 Correlation panel, superimposed with i3 interpretation and correlation of the K50.3 sub-unit

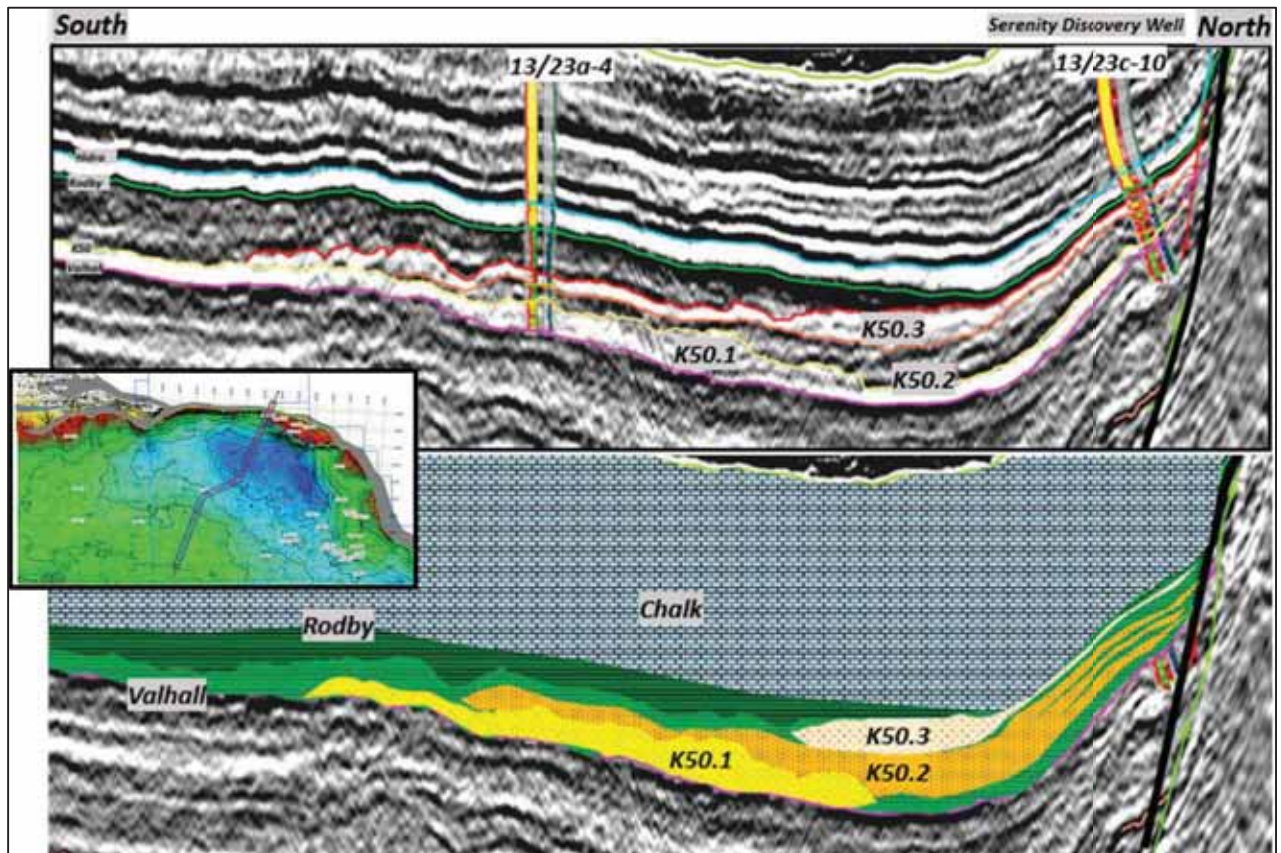


Figure 2-3 i3 regional seismic interpretation, SSW-NNE line

2.3 Reservoir geology

Regional Geological Setting

Early Cretaceous Captain Sands of Aptian to Albian age were laid down in the Inner Moray Firth in a deep marine environment, deposited against a background of hemipelagic shales and marls. The established model comprises a NW-SE oriented axial system of submarine channels located south of the Halibut Horst and extending regionally from the Captain field to the NW through to Goldeneye and beyond in the SE, informally referred to as the Kopervik fairway (Figure 2-4). These channels were capable of distributing thick and amalgamated mass flow sandstones up to hundreds of feet thick into the main Blake field and Liberator areas.

North of the main fairway, facies heterogeneity increases, as is clearly illustrated in the correlation panel in Figure 2-2 for the Serenity-Tain areas. Thinner and potentially more confined turbidite channel deposits become interbedded with shales. The Blake Flank area is notably more heterogeneous than the main Blake field (or "Channel" area). The Captain fairway is known to thin and eventually pinch-out to the north-west in the Tain area (the Tain-6 well contains no sand at the Captain interval; see inset Figure 1-1 for detail of Tain well locations).

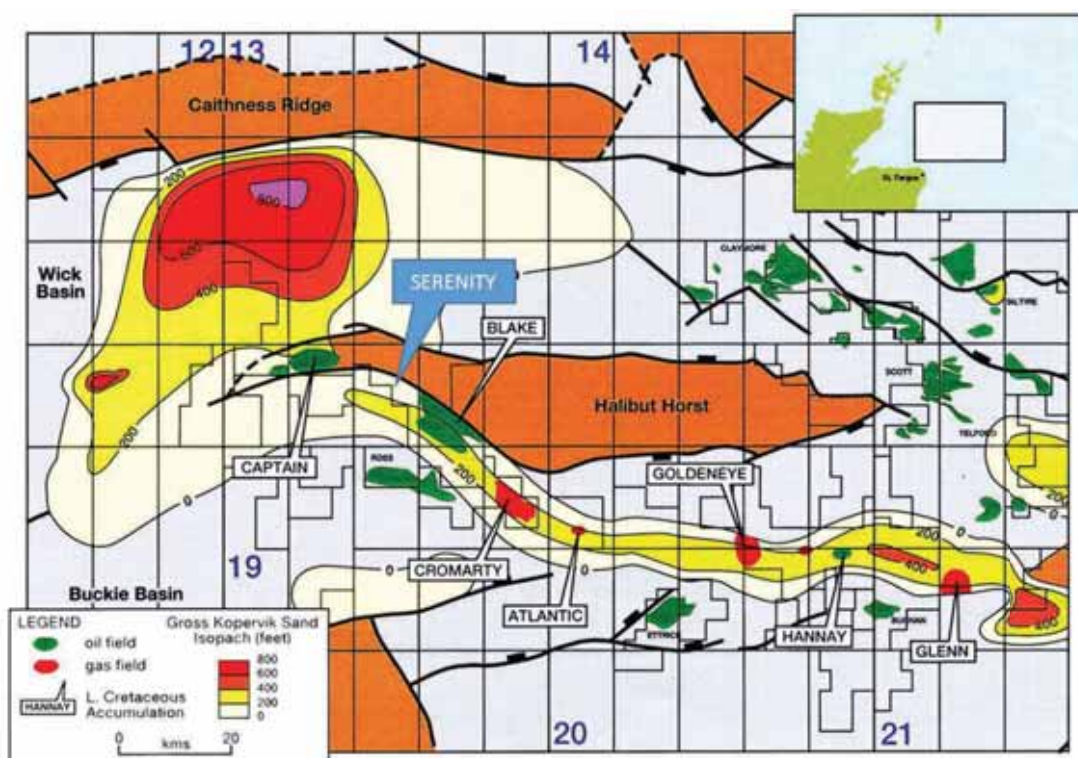


Figure 2-4 The Kopervik sand fairway (from Law *et al* 2000, Petroleum Geoscience vol 6)

Captain Sand-body Architecture

As mentioned, i3 Energy adopt an informal 3-fold subdivision of the K50 Captain sands into K50.1, K50.2, K50.3 based on regional mapping of discrete seismic packages combined with sand body positioning with respect to Top Rødby (Figure 2-5). They interpret the Blake-Liberator sands as older K50.1 deposits characterised by blocky high density turbidite packages, with the Blake flank area assigned to areally offset, but locally overlapping K50.2 sands/shales. The uppermost (youngest) sands within the Serenity-Tain-Magnolia wells area are assigned to the K50.3 unit. According to i3, the thin oil-bearing sand in Serenity discovery well is assigned to K50.3 ("Upper Captain"), whilst the underlying water-bearing sands are interpreted as K50.2.

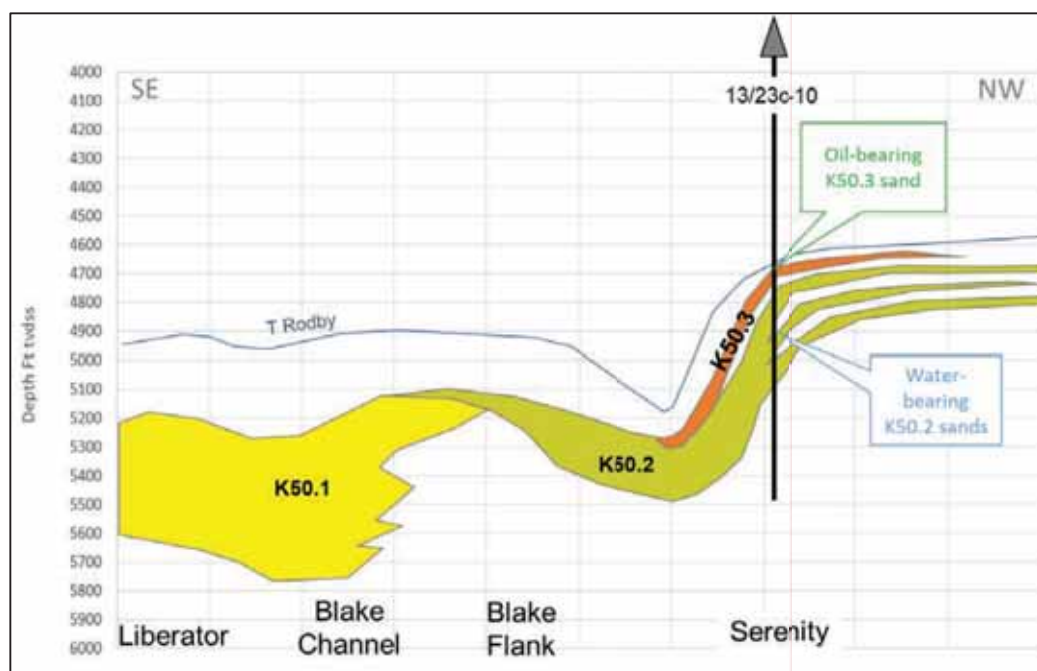


Figure 2-5 Schematic view of i3's Captain sand subdivision into K50.1, K50.2 & K50.3

The sand body architecture model of i3 integrates well and seismic data and is consistent with the regional connectivity story in the Koperivik fairway. The presence of a regionally-connected aquifer along this fairway is well documented in the published literature suggesting that at a regional scale, most of the Captain sands communicate via a common regional aquifer. At a more local field level, heterogeneity may nevertheless result in poor communication between sub-units on a production timescale.

TRACS considers the i3 approach to be well-considered and integrated but believe a number of factors reduce the confidence in sandbody mapping and continuity:

- The inherently weak reflectivity contrast between sandstones and shales means that resolving individual channel bodies is challenging seismically.
- Well control is sparse, lithostratigraphic correlation on its own is challenging and biostratigraphic resolution is likely to be limited at the scale of individual Captain sub-units. Furthermore, regional biostratigraphic schemes for this basin tend to be proprietary and not widely published in consistent form.

Though the i3 definition of a contiguous K50.3 oil sand in Serenity and its extrapolation to Magnolia and Tain may be valid, TRACS consider that the data limitations mean other interpretations are possible.

Regional Dynamic Reservoir Pressure

The well-connected and dynamic nature of the regional Captain Sandstone aquifer is well documented in published literature. For example, as part of the Peterhead CCS project (published 2015), Shell model the approximate regional Captain sand aquifer as extending from Blake field in the west, through Cromarty, Atlantic, Goldeneye and Hannay in the east (Ref 1). According to this study, the resultant aquifer dimensions could be 5-10 km wide and up to 100 km long with average porosities of 25-20% and Darcy permeability. The Captain oil field was the first to come on production in 1997, but Shell exclude this from the aquifer model due to its elevated footwall position on the Halibut Horst fault. Blake came online in 2001, with Hannay following in 2002, Goldeneye in 2004 and Atlantic/Cromarty in 2006. Of the fields along the Captain trend only Blake and Captain had water injection support. At the time of writing, Blake is the only field still online and injects more reservoir barrels than it produces.

i3 Energy have built, and made available to TRACS, their own regional pressure model in order to understand the aquifer pressure evolution over time due to production depletion and then subsequent shut-in of fields along the trend. They believe they can match the regional pressure story with MDT pressure data recorded historically (Tain) and more recently in the Serenity (13/23c-10) and Liberator wells (13/23b-11). The latter wells, drilled between October and December 2019, record oil and water pressures around 50 psi higher than pre-production data in the Captain fairway, which is consistent with Blake injection and recent pressuring-up of the regional aquifer.

Figure 2-6 summarises some of the key MDT pressure data in the Serenity-Tain-Blake-Liberator area and illustrates the highly dynamic nature of the aquifer due to nearby production. The data shown is mostly from Captain sands, though some Coracle (geologically-older) sands were sampled in the Tain wells. Blake well 13/24a-4 was drilled in 1998, around the time of first production from the Captain field and before production start-up in the Goldeneye, Atlantic and Cromarty fields. It therefore represents virgin pressure conditions in the Captain fairway. When pressure data was collected in the Liberator 13/23d-8 well in 2013, the aquifer pressure was depleted by around 70 psi, though by 2013 the Goldeneye field had been offline for 3 years so it's possible that there was already some level of pressure recovery by this point. Moving forward to 2019, the aquifer is inferred to be over-pressured by about 50 psi with respect to virgin conditions, due to net-positive volume replacement caused by Blake injection and cessation of production from other nearby fields. Pressure data from water points in Serenity and the Liberator 13/23c-11 well, drilled back-to-back in 2019, appear to line-up on a common aquifer gradient.

i3 Energy extrapolate the oil and water points in Serenity to derive an intercept at 5270 ft tvdss, consistent with the Blake field free water level and supporting their concept of common regional OWC between Blake, Serenity and Tain. i3 quite reasonably interpret the Tain pressure data to be connected to the dynamic regional aquifer. They go on to infer that in 2005 the Tain oil points intersected the regional contact at 5270 ft, since at that time the regional aquifer pressure would have been depleted and lying between the 1998 Blake data and the 2013 Liberator -8 well trend. TRACS consider this scenario credible as a high case but, due to the uncertainty associated with the pressure data, believe a wider range of OWCs is possible. In short, the OWC position is uncertain due to the following:

- Uncertainty with respect to the oil and water gradients applied, and their resulting intercept. For Serenity, different gradients result in a range in OWC of 5130-5270ft; all gradients used honour the available pressure and PVT data.
- Fundamentally, this is a dynamic pressure system. Estimating OWCs from pressure intercepts assumes the oil and water legs are in equilibrium at any one time, which may not be the case.

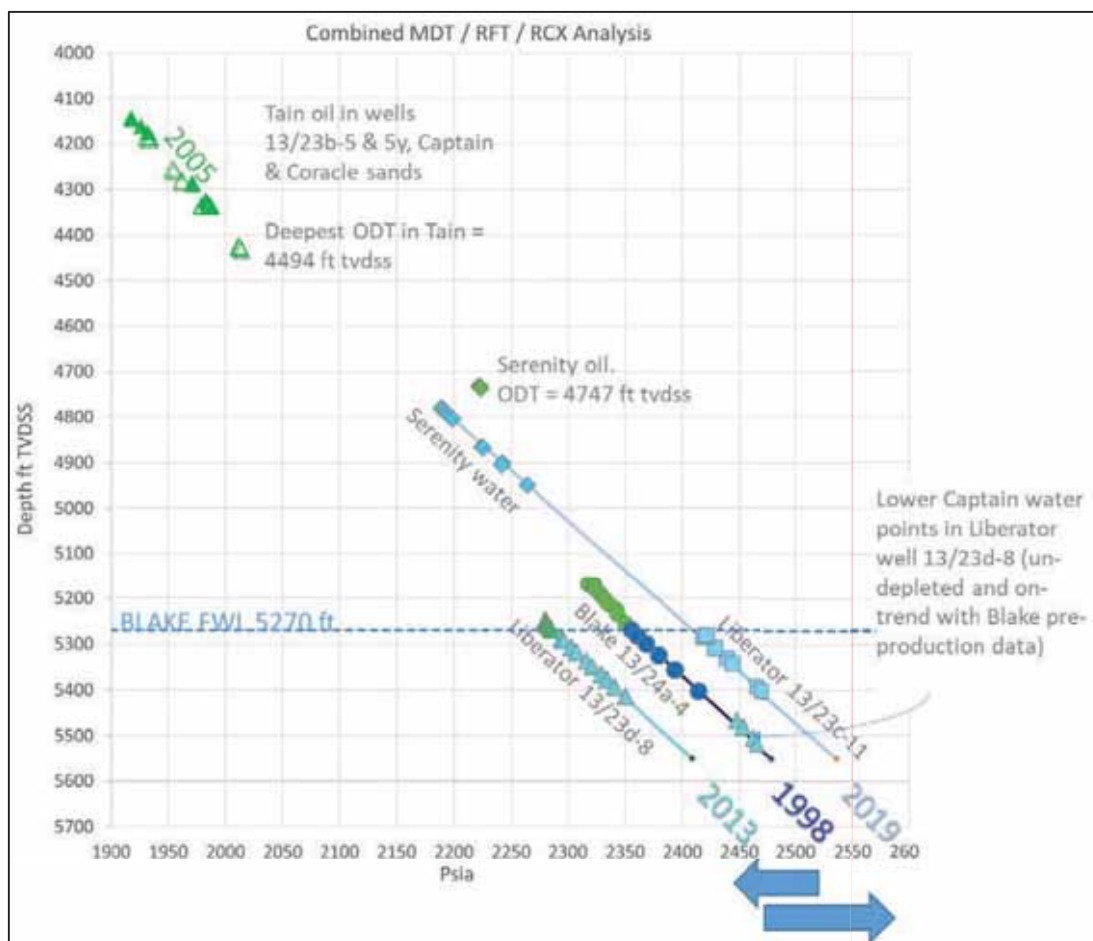


Figure 2-6 Regional pressure data and dynamic aquifer

Further detail on the range in oil and water intercept for Serenity pressure data is given in Section 3.3. The impact on STOIP of a wider OWC range is addressed in Section 5.

Trapping Mechanism

The Serenity trap appears to be largely if not entirely stratigraphically constrained, with closure to the north defined either by pinch-out (Tain -6 well) or fault closure against the Halibut Horst.

The trap geometry is stratigraphic to the west since there is no structural closure. To the east there is potential for communication through to the Tain licence area, though for the purposes of this evaluation the interpretation does not extend in detail into this area.

For the High case OWC scenario, there is potential for a larger stratigraphic trap with communication and a shared common OWC with the Blake field.

3 Petrophysical Evaluation

The 2019 study from TRACS was based on the wells pre-13/23c-10. The petrophysical input for this audit is to summarise the properties at 13/23c-10 and any regional updates based on the findings at this well. The zone of interest consists of the Captain sands.

3.1 Data availability and quality

The client supplied an Interactive Petrophysics (IP) database which included the Tain and Magnolia wells as well as the new Serenity well (Table 3-1 Wells supplied in the IP project from i3

The database included measured logs, CPI results, formation tops, deviation surveys, pressure data and all interpretation inputs.

Field	Well
Magnolia	13/23a-7A
Tain	13/23b-5
Tain	13/23b-5Z
Tain	13/23b-5Y
Serenity	13/23c-10

Table 3-1 Wells supplied in the IP project from i3

3.2 Petrophysical interpretation

In providing the complete interpretation database the client has made the interpretation inputs completely transparent.

3.2.1 Clay Volume (V_{cl})

V_{cl} has been calculated using both the GR input and the Neutron/Density crossplot methods in all wells. Generally a minimum V_{cl} from the combined outputs has been taken as input going forward. Only V_{cl} from the Neutron/Density has been used in 13/23b-5.

3.2.2 Porosity

Porosity has been calculated using the V_{cl} input and the Neutron/Density porosity calculation. The relevant matrix, clay and fluid inputs are used.

3.2.3 Water saturation

Water saturation has been used using the Archie method in IP of the form:

$$S_w = \sqrt[n]{\frac{a \times R_w}{\Phi^m \times R_t}}$$

S_w = water saturation (decimal)

R_w = formation water resistivity in ohmm (based on salinity and reservoir temperature)

Φ = porosity calculated from logs (decimal)

R_t = true resistivity in ohmm (usually a Deep resistivity log)

a , m and n are the Archie parameters (m is a cementation exponent and n is a saturation exponent)

In the previous work the Archie a was constantly given the standard value of 1. There was some variation around the value of 2 in the ' m ' and ' n ' values based on reservoir quality. In this project ' m ' and ' n ' have remained constant at 2 for all reservoir intervals.

Formation water salinity is ~58k ppm NaCl.

The 13/23c-10 analysis inputs are consistent with the inputs for the Tain and Magnolia wells. The analysis as supplied by i3 is accepted by TRACS and the results have been used for reservoir properties summaries.

The results for the Serenity well 13/23c-10 are shown in Figure 3-1 where the Captain sand is subdivided into individual events by i3. The uppermost sand (K50.3.1) is the oil-bearing sand at the location of the Serenity well. This sand has very good porosity at ~30% with low S_w . The next sand is the K50.2.1 which is water-bearing though the ~20% oil saturation may be an indication of residual oil e.g. from migration. The pressure data for this sand indicates that formation pressure lies on a water gradient in this sand.

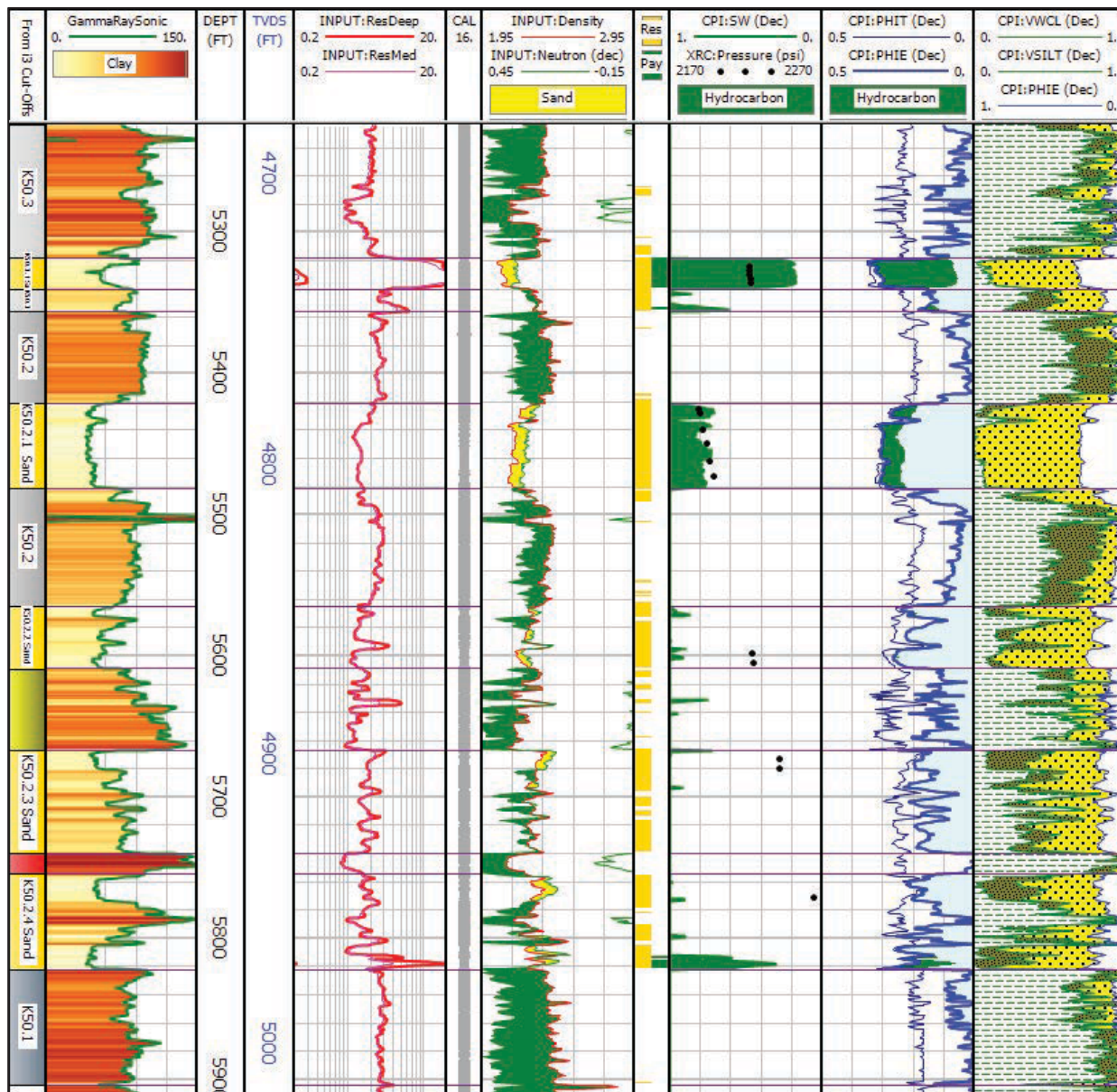


Figure 3-1 Measured logs and analysis results for Serenity well 13/23c-10

3.2.4 Average Properties – All Wells

The reservoir sub-divisions are not present in all wells so the properties for the gross Captain package is captured for all wells (Table 3-2 and Table 3-3). The Captain in the Serenity well will then be broken down by sand unit.

Reservoir Summary									
Well	Zone	Top ft MD	Bottom ft MD	Top ft tvdss	Bottom ft tvdss	Gross ft	Net ft	N/G	Av Phi
13/23a-7A	Captain	3386.00	3678.00	3295.64	3581.04	285.40	186.69	0.65	0.24
13/23c-10	Captain	5310.00	5904.30	4724.93	5014.63	289.73	146.45	0.51	0.21
13/23b-5Y	Captain	5590.00	5930.00	4152.27	4248.49	96.24	43.60	0.45	0.23
13/23b-5Z	Captain	4485.00	4589.00	4195.35	4270.06	74.70	40.39	0.54	0.24
13/23b-5	Captain	4199.00	4283.00	4112.98	4196.67	83.68	24.91	0.30	0.26
All Wells	Captain					165.95	88.41	0.53	0.23

Table 3-2 Net reservoir average properties for the Captain sands

The TVD gross thickness shows variation in package thickness for the Captain sands. The N/G also varies. In the Serenity well the Captain package is thicker than the other wells but the N/G is close to the average for the Captain at 51%. The properties have been calculated where $V_{cl} < 0.5$ and $\text{Porosity} > 0.10$ consistent with the 2019 work.

Pay Summary										
Well	Zone Name	Top ft MD	Bottom ft MD	Top ft tvdss	Bottom ft tvdss	Gross ft	Net ft	N/G	Av Phi	Av S_w
13/23a-7A	Captain	3386.00	3678.00	3295.64	3581.04	285.40	24.93	0.09	0.21	0.64
13/23c-10	Captain	5310.00	5904.30	4724.93	5014.63	289.73	14.98	0.05	0.28	0.29
13/23b-5Y	Captain	5590.00	5930.00	4152.27	4248.49	96.24	26.66	0.28	0.26	0.46
13/23b-5Z	Captain	4485.00	4589.00	4195.35	4270.06	74.70	37.88	0.51	0.25	0.39
13/23b-5	Captain	4199.00	4283.00	4112.98	4196.67	83.68	14.45	0.17	0.28	0.47
All Wells	Captain					165.95	23.78	0.14	0.25	0.44

Table 3-3 Net pay average properties for the Captain sands

Adding a 70% S_w cut-off to define net pay gives a low N/G in the Serenity well but a very low average S_w of 29% indicating better oil saturations than had been observed in the Tain and Magnolia wells.

3.2.5 Average Properties – Serenity Sands

Zooming in to the uppermost reservoir quality sands in the Captain at the Serenity well (Figure 3-2) shows just how good these sands are. The zone naming has been applied by the client and even though there is some uncertainty around exactly which sands can be correlated across the area, this naming has been adopted for convenience. The K50.3.1 sand is the only oil-bearing sand in this Serenity well. It is 10.5 ft thick at this location with 100% net sand and 30% porosity. Mobility from the MDT data are 117 to 448 mD/cP indicating that this also has good permeability. This sand is fairly insensitive to the 70% S_w cut-off with 94% N/G pay and 21% average S_w . The K50.3 interval immediately below is of poorer quality with 36% N/G and 16% porosity. Water is calculated in most of this interval but given the poorer quality there is uncertainty around this. There is some oil calculated at the base of this sand where the V_{cl} is decreasing and the porosity is increasing so it might still be in the oil leg. The K50.2.1 sand is also 100% net reservoir but has no pay. There is some oil calculated in this sand but it is 79% water on average and the pressure data gives a water gradient.

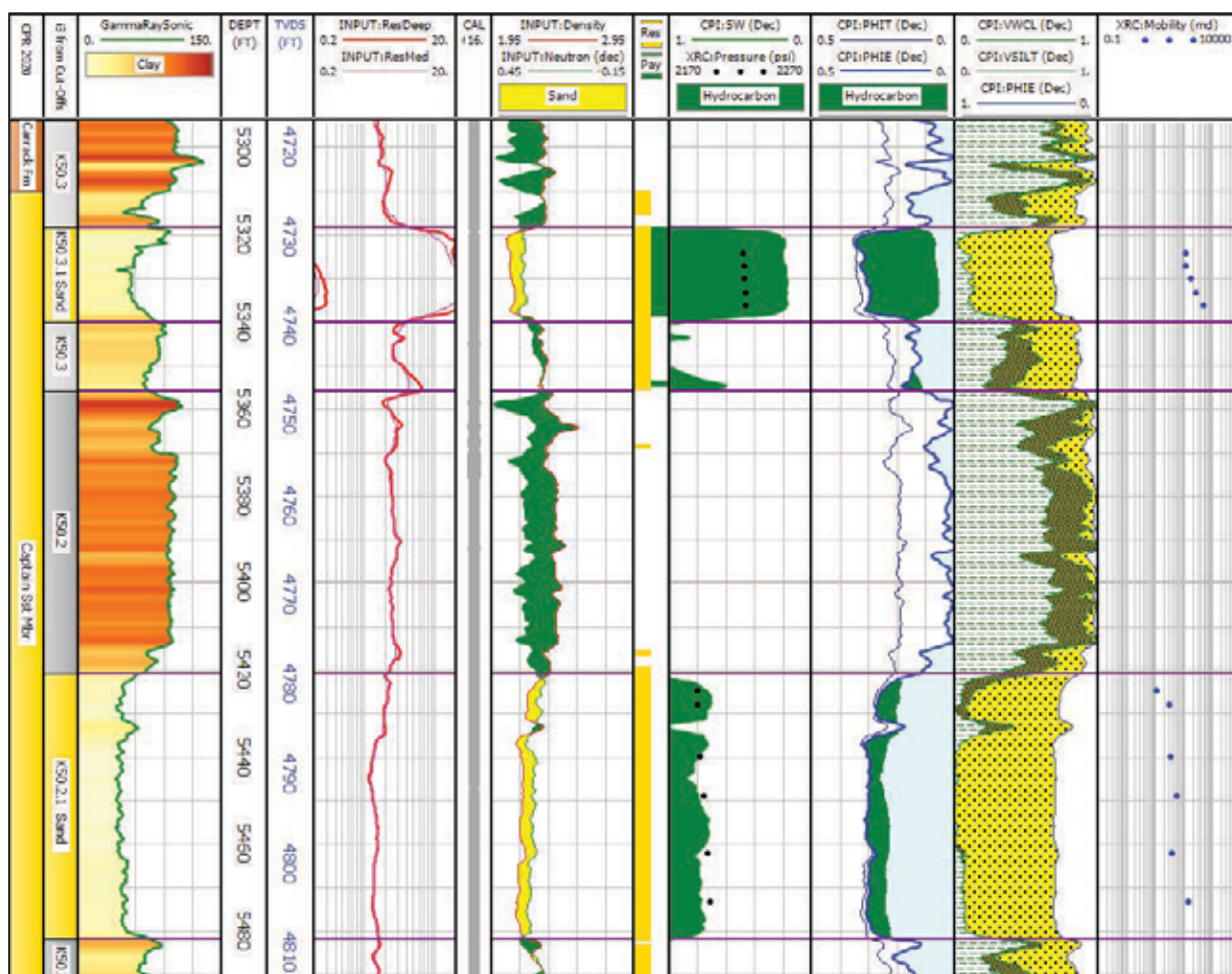


Figure 3-2 Reservoir sands in Serenity Captain

All of the sand intervals have a good-to-high N/G and porosity of 18% or more (Table 3-4). These numbers have been derived using the same cut-offs as the results presented for all wells, i.e. $V_{cl} <= 0.5$, Porosity $>= 0.1$.

Reservoir Summary										
Well	Zone Name	Top ft MD	Bottom ft MD	Top ft tvdss	Bottom ft tvdss	Gross ft	Net ft	N/G	Av Phi	Av S _w
13/23c-10	K50.3.1	5205.00	5318.25	4673.91	4728.95	55.04	4.31	0.08	0.19	0.93
13/23c-10	K50.3.1 Sand	5318.25	5340.00	4728.95	4739.51	10.56	10.56	1.00	0.30	0.23
13/23c-10	K50.3	5340.00	5355.75	4739.51	4747.16	7.65	2.73	0.36	0.16	0.81
13/23c-10	K50.2.1	5355.75	5421.00	4747.16	4778.87	31.71	0.00	0.00	---	---
13/23c-10	K50.2.1 Sand	5421.00	5481.75	4778.87	4808.38	29.51	29.45	1.00	0.29	0.79
13/23c-10	K50.2	5481.75	5564.75	4808.38	4848.70	40.32	3.28	0.08	0.19	1.00
13/23c-10	K50.2.2 Sand	5564.75	5609.00	4848.70	4870.20	21.51	18.59	0.86	0.22	0.98
13/23c-10	K50.2.3 Sand	5667.00	5740.25	4898.38	4933.96	35.58	21.80	0.61	0.18	0.99
13/23c-10	K50.2.4 Sand	5755.00	5822.75	4941.12	4974.23	33.11	19.80	0.60	0.20	0.87
13/23c-10	K50.1	5822.75	5904.25	4974.23	5014.65	40.42	0.00	0.00	---	---
13/23c-10	All Zones	5205.00	5904.25	4673.91	5014.65	305.40	110.52	0.36	0.23	0.80

Table 3-4 Serenity Well 13/23c-10 average properties. Serenity oil sand (K50.3) highlighted in green

3.3 Fluid contacts

As mentioned, the saturation calculations for K50.3 in the Serenity well are uncertain given the poor quality. No obvious oil water contact (OWC) is observed in the K50.3.1 Sand so the oil is observed down to (ODT) 4739.6 ft tvdss with a possible deepest indicator of oil at the base of K50.3 (4747 ft tvdss). The pressure data indicates that there is water up to (WUT) 4779.1 ft tvdss with some residual oil calculated. The oil encountered in 13/23c-10 is deeper than encountered in the wells in the wider region and water is encountered above the oil in all other wells (Figure 3-3).

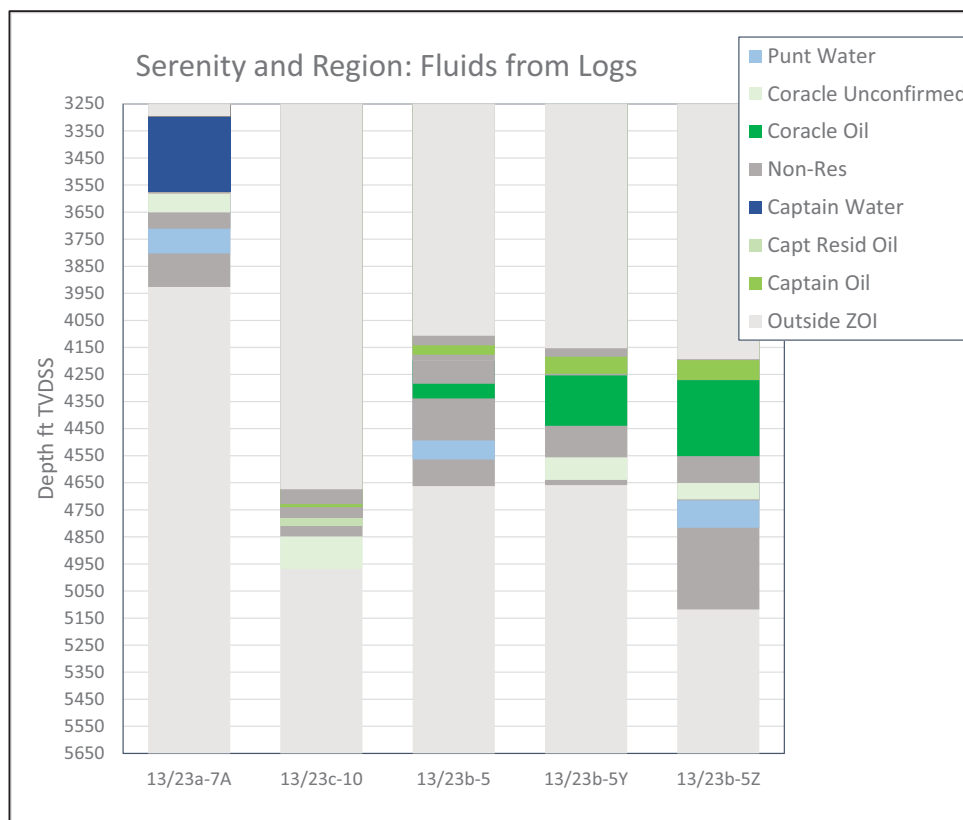


Figure 3-3 Fluid distribution from logs in Serenity region

From logs alone no OWC is identifiable in the Serenity well. There are a lot pressure data available for the region and successful pressure measurements were also taken in this well. Plotting the pressure data with the log analysis (Figure 3-4) illustrates that there appears to be a common water gradient from the K50.2.1 Sand to the K50.2.4 Sand. At first look it appears that the oil-bearing sand is isolated from the general pressure regime given that the formation pressure in the oil leg is so high compared to the measurements in the water leg.

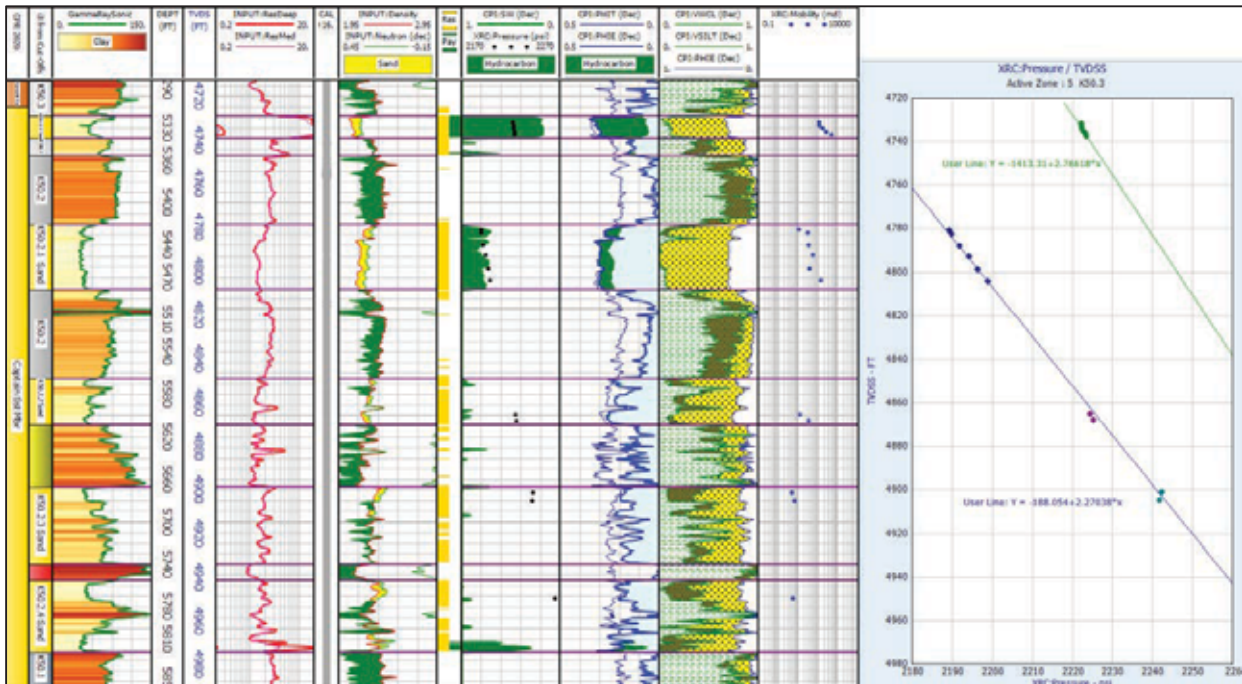


Figure 3-4 Serenity well 13/23c-10 with pressure data

However, given the possible complexity in the picture of sealed and charged sands on the structure (as described in geology Section 2.3), it is possible that a FWL can be derived from this data based on a common aquifer. This would mean the K50.3.1 Sand eventually connects to the aquifer down-dip while the K50.2.1 Sand is not sealed and is actually showing the true aquifer gradient. The distribution of pressure data over time in Figure 3-5 reflects production and injection over time in the area. However with the changing aquifer and oil pressure over time there is uncertainty around deriving FWLs from oil and water gradients since the system is not in equilibrium.

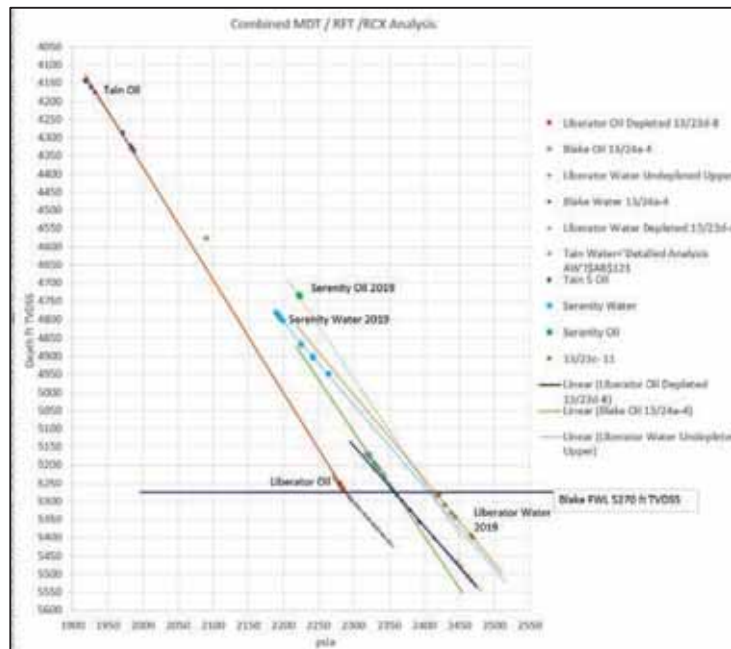


Figure 3-5 Pressure data for wider region

It is possible that the FWL in the Serenity well is at 5270 ft tvdss but there is also uncertainty around the fluid gradients within the well. There is some scatter in the water points (Figure 3-6) so the water line can vary slightly depending which points are included. Zooming in on the measurements in the oil bearing K50.3.1 Sand in the right hand plot of Figure 3-6 shows that there is no single common line through all of the oil points.

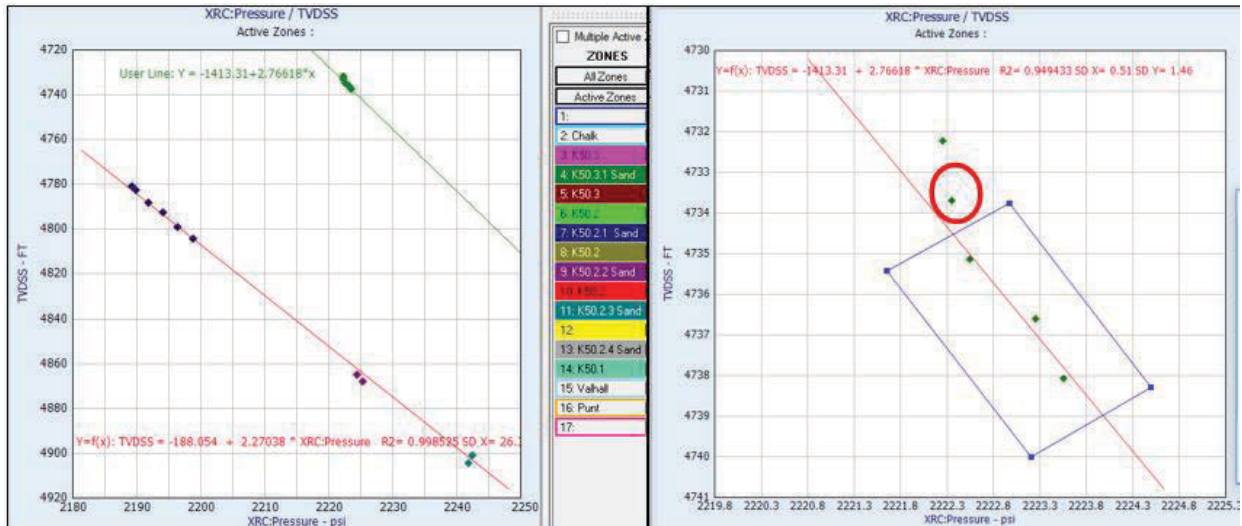


Figure 3-6 Serenity well pressure data

From the Serenity pressure data a range of FWLs can be derived around sensible gradients for the fluid densities. The range of calculated FWL is 5128 ft tvdss to 5422 ft tvdss illustrating the uncertainty around the combined pressure data. ODT from logs is a hard data point but FWL is very uncertain so a range is applied in the volumes calculations of between 5130 and 5270 ft tvdss (the 5270ft high case value limited by the regionally mapped OWC shared with Blake and Liberator).

3.4 Conclusions and recommendations

Drilling a well down dip in the Serenity structure would be useful for tagging the OWC in the K50.3.1 Sand. It would be useful to confirm how the thickness of this sand varies away from the reference point of 13/23c-10, especially towards the west.

4 Geophysical Evaluation

TRACS carried out a pre-drill evaluation of Serenity. The evaluation has now been updated with the Serenity well data. As part of those evaluations, TRACS was supplied with a Kingdom project containing the following data:

- well data (various, and now including the Serenity well 13/23c-10)
- Western Geco Q13Ph1 data – 2013 3D seismic data set ('Q13Ph1')
- Megamerge 13/22 data – 3D seismic data set ('Phoenix3D')
- TGS MF10 PSTM data – 2010 3D seismic data set ('MF10')
- Hess 92-13 data – 1992 3D seismic data set ('AHL')
- various time, depth and amplitude horizons/grids

The extents of the various surveys are shown in Figure 4-1. For the purposes of this evaluation the focus has been on the Q13Ph1 data over Serenity and Tain, and also the Phoenix3D over the Magnolia well.

Note that for some wells there are minor errors in tophole and location; these are generally in the order of 50 m and do not have a material impact on the analysis or findings.

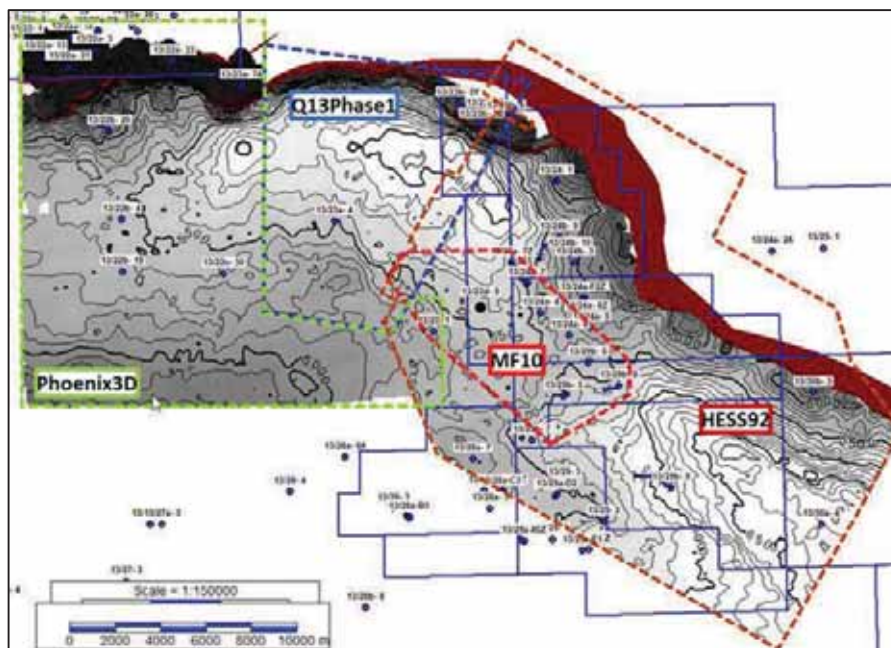


Figure 4-1 Seismic data coverage (supplied by i3 Energy)

The main objectives of the geophysical evaluation were as follows:

- review the seismic interpretation over Serenity in light of the 13/23c-10 well
- review seismic amplitudes as potential indicators of net sand thickness and fluid fill over Serenity
- review seismic facies as potential indicators of sand presence

4.1 Review of horizons

TRACS reviewed the supplied horizon interpretation. Top Rødby is picked on a positive event of moderate to strong amplitude. It is a clear and robust reflector across Serenity. A distinct sequence boundary at the top of the K50 sequence (henceforth '*trough*') is picked on a negative event generally of moderate to strong amplitude. An overview seismic line is shown in Figure 4-2. The strength and character of the *trough* reflector is much more variable than the top Rødby reflector, see below for more details. Both horizons have been validated by TRACS.

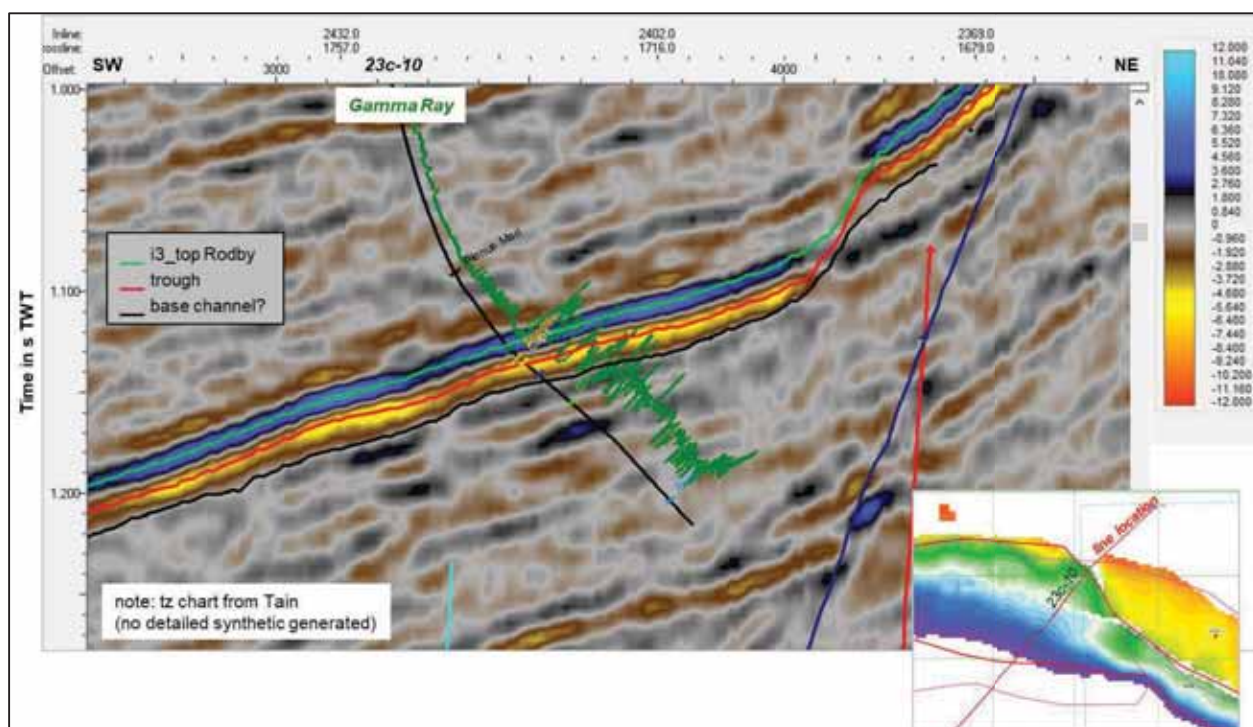


Figure 4-2 Seismic line through Serenity

4.2 Synthetic seismograms and tuning wedges

4.2.1 Synthetics

There was insufficient data to generate a robust synthetic seismogram for the Serenity well.

A review of the offset well synthetics was undertaken as part of the pre-drill evaluation, and summarised here. Prior to generating synthetic seismograms, wavelets were extracted from the data and compared for consistency. The wavelets showed a reasonable match to a Ricker wavelet of 25Hz. The Ricker wavelet was taken forward for use in the synthetics and the forward modelling over Serenity.

Synthetics were generated for the Tain wells and the Magnolia well. Log availability is an issue as 23b-5 is the only well with a sonic log. The TRACS petrophysicist computed synthetic DT logs using the neutron method for all the wells. As a QC, the computed DT log in 23b-5 was compared to the actual DT and the match was excellent. This provided confidence that the computed curves were suitable for generating synthetics and indeed for modelling purposes.

Time-depth data were taken 'as is' from the active time depth charts in Kingdom and are assumed to be adequate.

Two synthetics are shown here, one for Tain (23b-5, Figure 4-3) and one for Magnolia (23a-7A, Figure 4-4); the remaining synthetics are summarised.

The quality of the synthetic in 23b-5 is moderate. There is a good tie point at top Rødby and again at top Punt. In this well the Rødby Formation is 44 ft thick and the Captain Formation is a mainly poor quality with three thin (~2ft) clean sands and a net pay of 15ft. There is interference between the top Rødby and top Captain Formation reflection events; the result is that in this well the top Captain Formation pick falls on a zero crossing. Similarly, there is interference between the subsequent reflection events (tops and bases of minor sands). The result is that in this well the Captain Formation is incorporated within the 'trough' and the base Captain Formation pick (top Coracle) falls on a zero crossing.

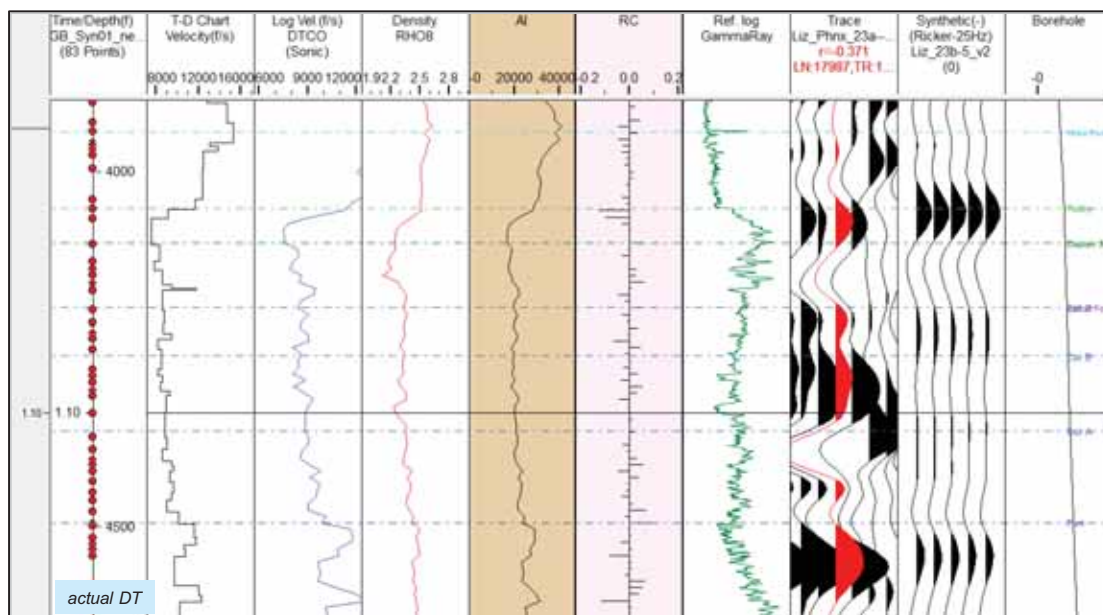


Figure 4-3 Synthetic at 23b-5

The quality of the synthetic in 23a-7A is poor to moderate, partly due to poor Signal-to-Noise Ratio (SNR). There is a reasonable tie point at top Rødby but no robust tie points at deeper levels. In this well the Rødby Formation is 45 ft thick and the Captain Formation consists of a thick clean sand (~115 ft) overlying a thick shaley, poorly-developed interval. There is interference between the top Rødby and top Captain Formation reflection events; the result is that in this well the top Captain Formation pick falls on a zero crossing. Also, in this well the base of the clean sand lies close to the 'trough'.

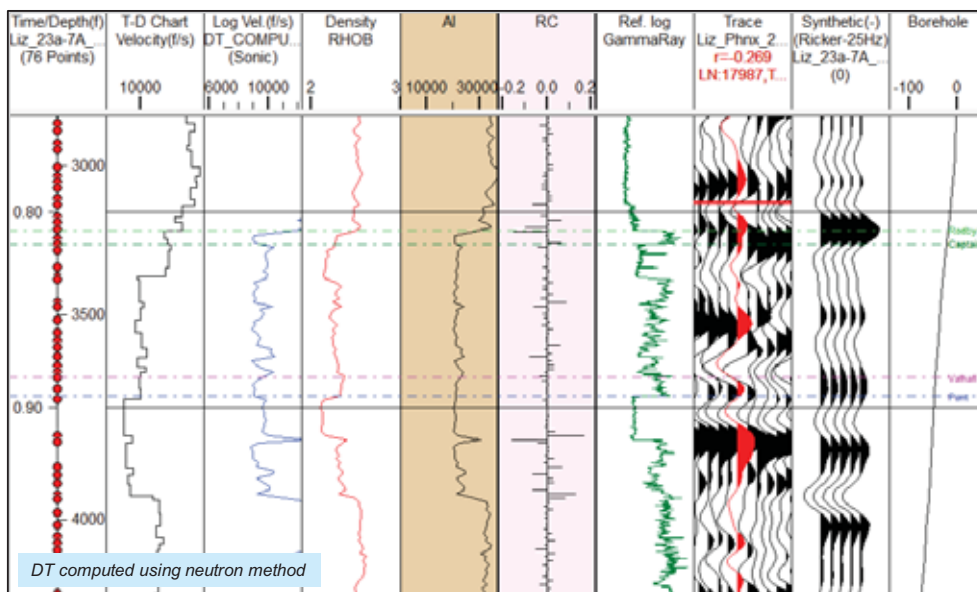


Figure 4-4 Synthetic at 23a-7A

In 23b-5Y there is a good tie point at top Rødby. In this well the Rødby is 49ft thick and overlies a thick Captain Formation of mixed quality. The net sand thickness is ~44ft with net pay of ~27ft. Once again there is interference between various events resulting in top Captain falling somewhere between a zero crossing and a trough. The base of the Captain lies on a zero crossing.

In 23b-5Z there is a good tie point at top Rødby. In this well the Rødby is 46 ft thick and overlies Captain Formation of variable quality. Net sand thickness is ~40 ft with net pay of ~38 ft. In this well top Captain Formation corresponds to the *trough* and base Captain falls on a zero crossing.

Well 23b-6 has no density log and no sonic log over the Level of Interest (LOI). The synthetic seismogram at this well is, therefore, not as reliable as at other wells. The 23b-6 well encountered no sand or

hydrocarbons and is thus referred to as the 'mud well'. At this location the Rødby peak has a lower amplitude. Top Captain Formation falls within that peak and base Captain Formation corresponds to a weak trough.

A summary table of the seismic character at the wells is presented below (Table 4-1).

Well	top Rodby	top Capt	base Capt	top sand
23b-5	peak	+ to -	- to +	
23b-5Y	peak	0x to trough	- to +	
23b-5Z	peak	trough	- to +	
23b-6	peak	peak	trough	
23a-7A	peak	+ to -		trough

Table 4-1 Seismic character at wells

4.2.2 Tuning wedges

As part of the pre-drill evaluation, tuning wedges were generated at all the offset wells (examples given in Figure 4-5 and Figure 4-6) using RokDoc 2D. In all cases a Ricker wavelet of 25 Hz was used. All displays are in m TVDss.

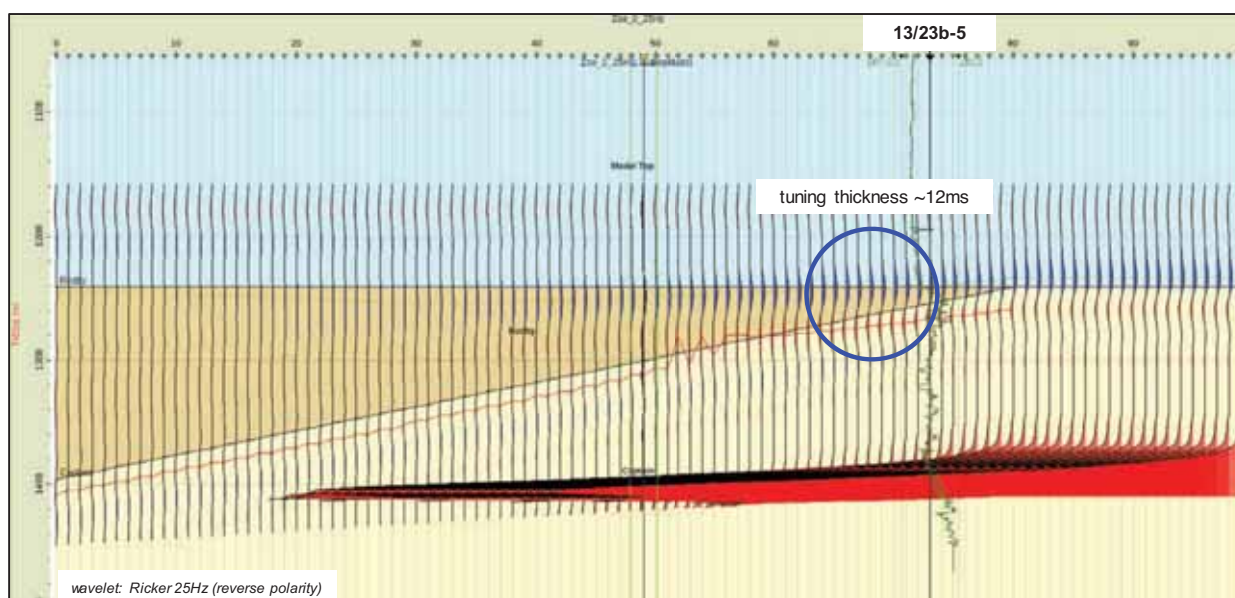


Figure 4-5 Tuning wedge at 23b-5

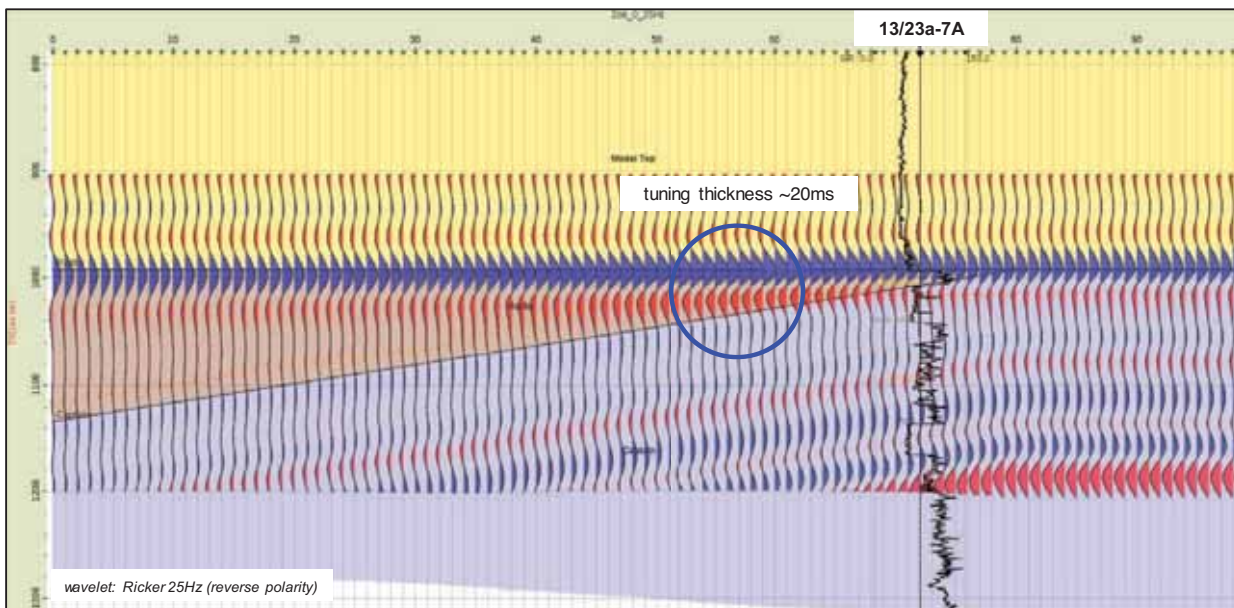


Figure 4-6 Tuning wedge at 23a-7A

In these models tuning occurs between 12-15 ms for the Rødby in Tain, and at ~20ms in Magnolia. A tuning curve was created from the picked horizons (see Figure 4-7). Time thickness is taken between the picked top Rødby horizon and the 'trough', amplitude corresponds to the RMS amplitude between those horizons. The tuning curve supports the occurrence of tuning at 12-15 ms over Serenity and Tain. The area affected by tuning is relatively large as demonstrated in Figure 4-8. The area affected is shown by the red dashed polygon.

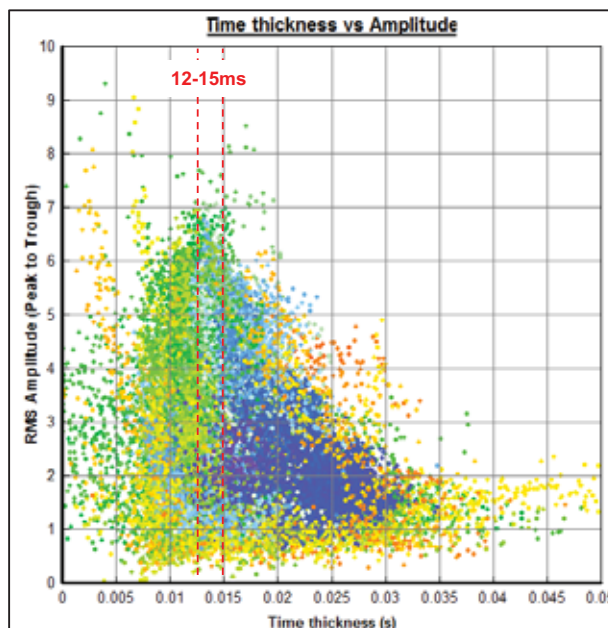


Figure 4-7 Tuning curve over Q13PH1 (Serenity and Tain)

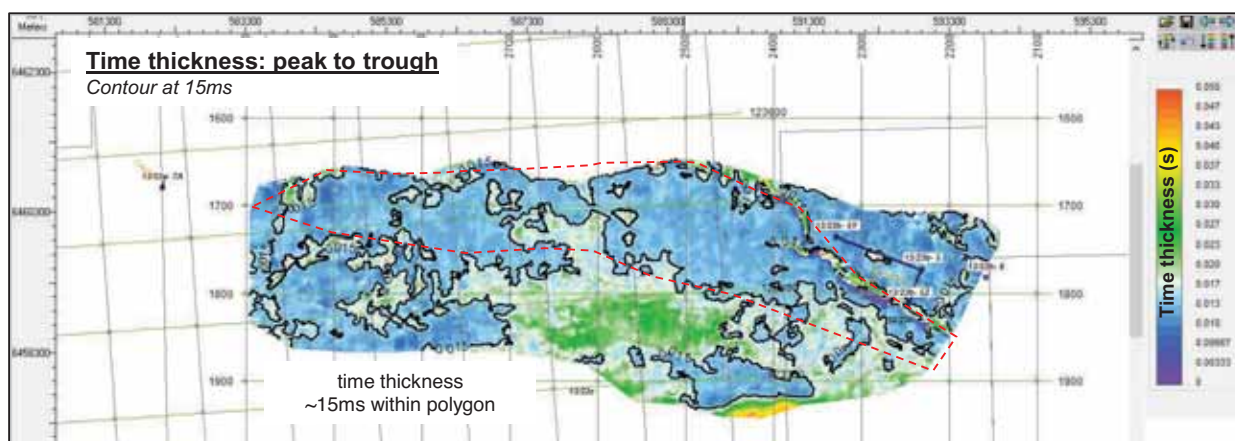


Figure 4-8 Time thickness map of Rødby peak to 'trough'

4.2.3 Conclusions

The following conclusions can be drawn from the analysis of the synthetics and tuning wedges:

- Top Rødby is a strong peak event with a ΔAI in the order of -35% to -40%
- There is interference between the Rødby and Captain reflecting events
- In places the amplitude at top Rødby is affected by tuning
- Top Rødby peak does not correspond to top Captain or top sand
- In places the amplitude at the *trough* event is affected by tuning
- The *trough* event does not consistently correspond to top Captain, top sand or base Captain

4.3 Amplitude analysis

i3 Energy has used the amplitude at top Rødby as an indicator of the presence of oil filled sand, see Figure 4-9. They propose that there is good conformance with the -5270ss contour which is the Oil Water Contact carried by i3 in all volume cases. TRACS does not agree with this interpretation as top Rødby does not represent top sand or top Captain. Note also that in the western part of Serenity there is no conformance between depth and amplitude, implying some sort of stratigraphic limit. A similar, but slightly different, amplitude response is seen at the level of the *trough* event.

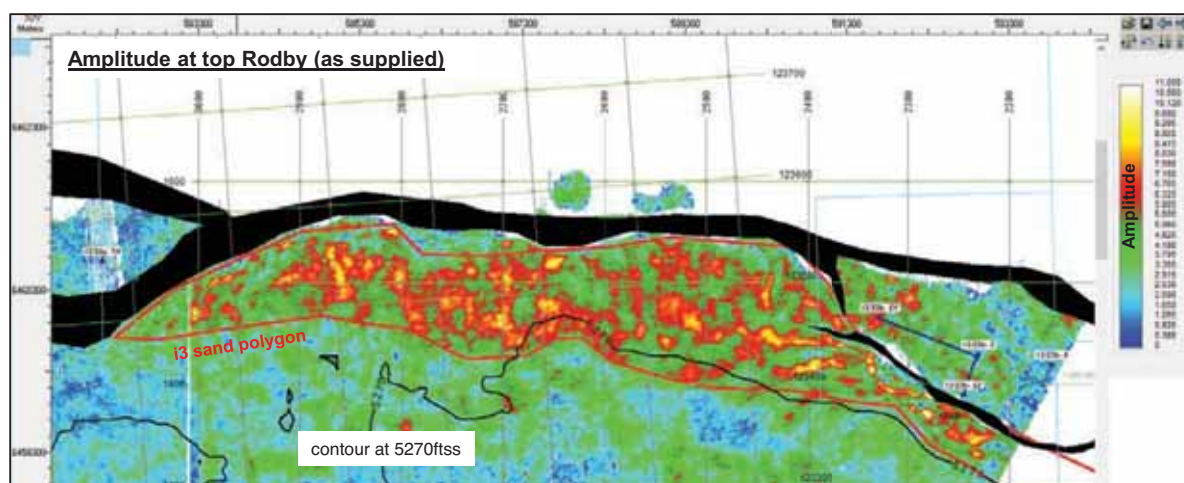


Figure 4-9 Amplitude at top Rødby with contour at -5270ss

Pre-drill, TRACS carried out some 1-D modelling to understand what the seismic response could look like for various sand thicknesses. TRACS has used pseudo-logs based on 23b-5 well data, the only well with a complete log suite. Note also that the Tain structure is closer in depth to Serenity than Magnolia is, another reason for selecting the Tain well as the basis for generating pseudo logs.

The Captain Formation was modelled as follows:

- poor-quality unit overlying clean sand
- clean sand thickness varied from 20ft to 100ft

Two additional cases were tested:

1. poor-quality oil: thick, poor-quality unit
2. thick oil: thick (115ft), clean sand immediately below the Rødby (Magnolia look-alike)

All models assume oil fill. There has been no extensive modelling of e.g. porosity perturbations, alternative sand-shale configurations, variations in cap rock thickness etc. Thumbnails of the 1D models are shown below (Figure 4-10). The results are summarised in two graphs (Figure 4-11).

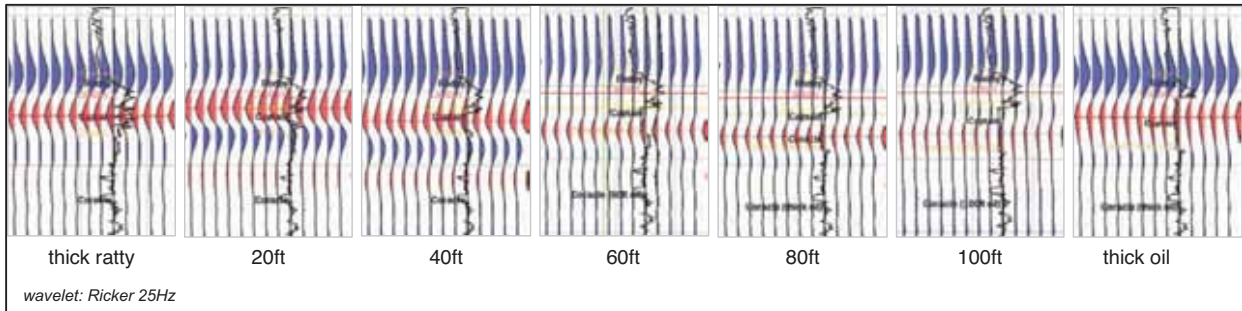


Figure 4-10 1D models showing seismic response for various sand thicknesses

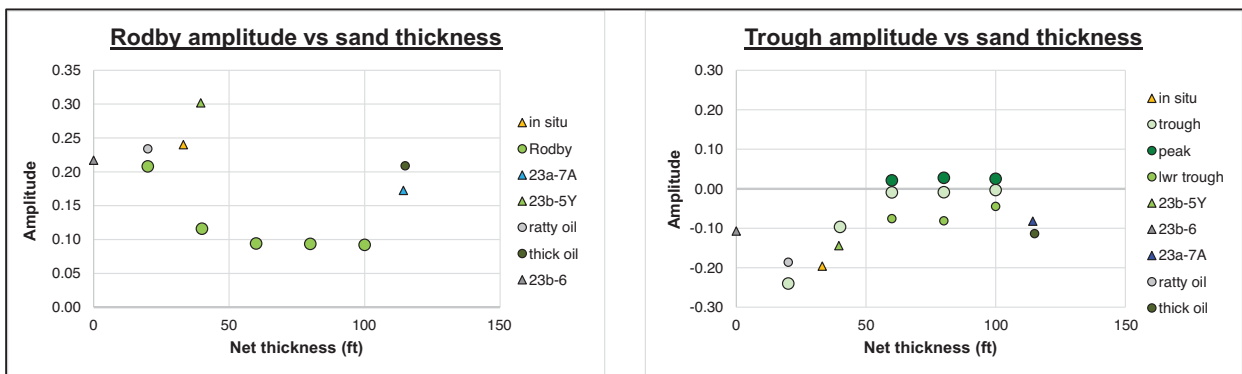


Figure 4-11 Amplitude versus sand thickness at top Rødby and the *trough* event

The left hand plot shows the amplitude at top Rødby versus net sand thickness. It highlights the disparity between reality (wells plotted as triangles) and the models (circles). The models suggest that an increase in thickness of oil filled sand below the Rødby would result in dimming once the Rødby gets above tuning thickness. The graph also highlights that the actual sand-shale configuration could be an important factor. Compare the response of the '100ft sand' and the 'thick oil' case. In the latter case the thick, clean sand lies immediately below the Rødby.

The right hand plot shows the amplitude at the *trough* versus net sand thickness. There is better agreement between the models and reality at 23b-5 and 23b-5Y. Again the models suggest that an increase in thickness of oil filled sand would result in dimming of the *trough* once above tuning thickness. The other observation is that once the sand package gets above ~50ft, the response changes from a trough to a trough-peak-trough, i.e. an extra loop is developed. Again, it is likely that the sand-shale configuration will have an impact on the actual response. Although there is no direct ground truth data available, there are hints around the 23b-5Y well of an extra loop appearing in the thickest part of the channel, as interpreted by TRACS from seismic data (see further).

The graph also suggests that it is not possible to discriminate fluid fill in the case of a thick, clean sand. Compare the response of the 'thick oil' case and actual 'thick water', i.e. 23a-7A (Magnolia) in the blue triangle in Figure 4-11. As discussed previously, TRACS does not support using the *trough* amplitude as an indicator of the presence or nature of sand.

4.3.1 Conclusions

The following conclusions can be drawn from the amplitude analysis:

- Amplitudes at top Rødby cannot reliably be used as an indicator of the presence or nature of Captain sands
- Amplitudes at the *trough* event cannot reliably be used as an indicator of the presence or nature of Captain sands
- Sands with a thickness of ~60ft are likely to generate an additional loop
- It may not be possible to discriminate between thick oil and thick water sands based on amplitude
- At the Serenity well, the amplitudes at both the Rødby and trough events are moderate to high and indicate that the seismic response is tuned at this location.

4.4 Seismic facies analysis

TRACS carried out a seismic facies analysis over Tain and Serenity. It was not possible to generate a seismic facies interpretation over Magnolia because of poor SNR and data quality.

Tain is characterised by a distinct scour feature that can be mapped over a small area around the discovery (Figure 4-12). The thickest part of the mapped channel lies just to the west of the 23b-5Y reservoir section, Figure 4-13. In the thickest part there is indeed a hint of an extra loop appearing. The thickest part is also characterised by dimming at the *trough* event.

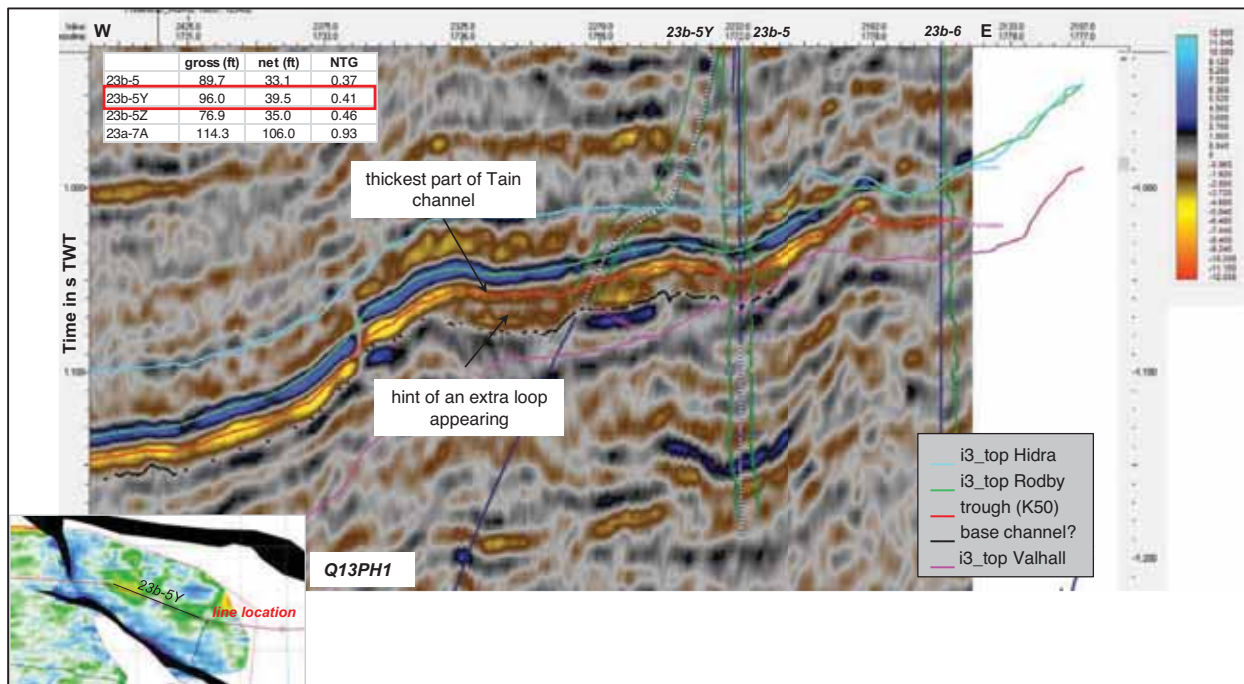


Figure 4-12 Seismic character over Tain

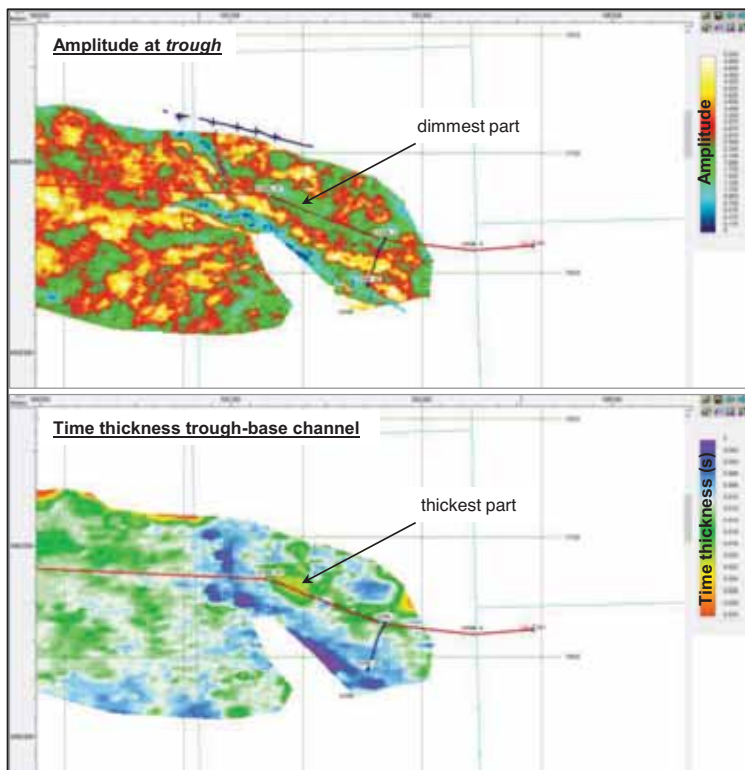


Figure 4-13 Amplitude and time thickness maps over Tain

The base of a channel feature can be mapped across a large part of Serenity (Figure 4-14) but not across the whole of i3's 'Rødby amplitude' area. Inspection of the seismic data suggests that the character and implied thicknesses observed in Tain are not present in Serenity, i.e. there are no thick channel areas with an extra loop. Locally there is minor thickening but not to the same extent as in Tain (Figure 4-15).

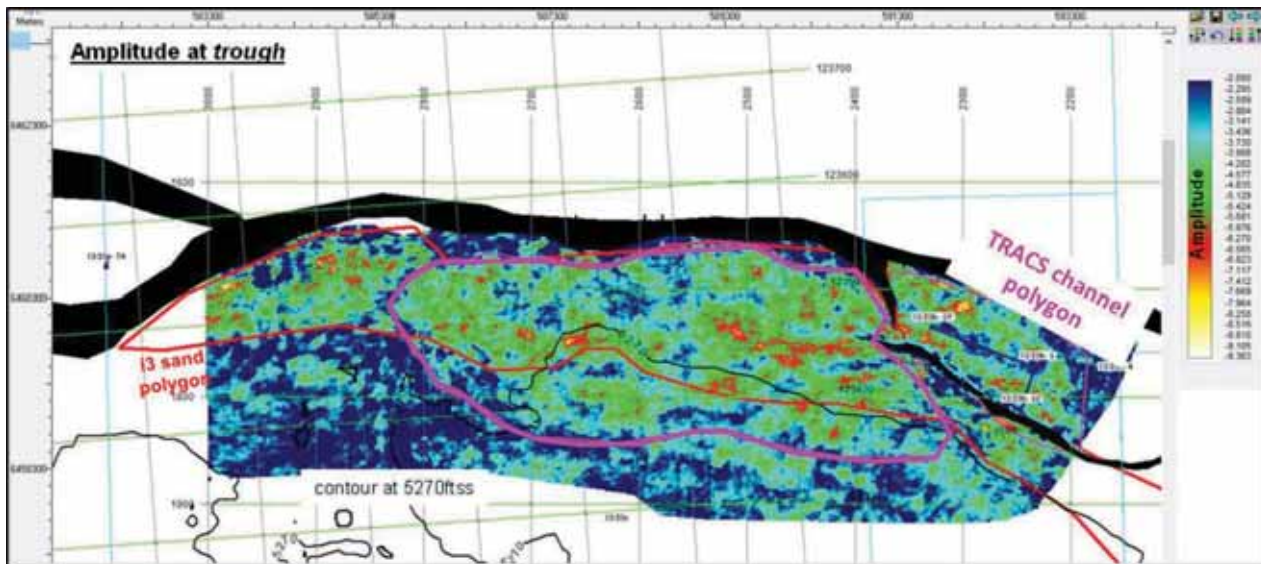


Figure 4-14 Amplitude at trough with i3 and TRACS polygons

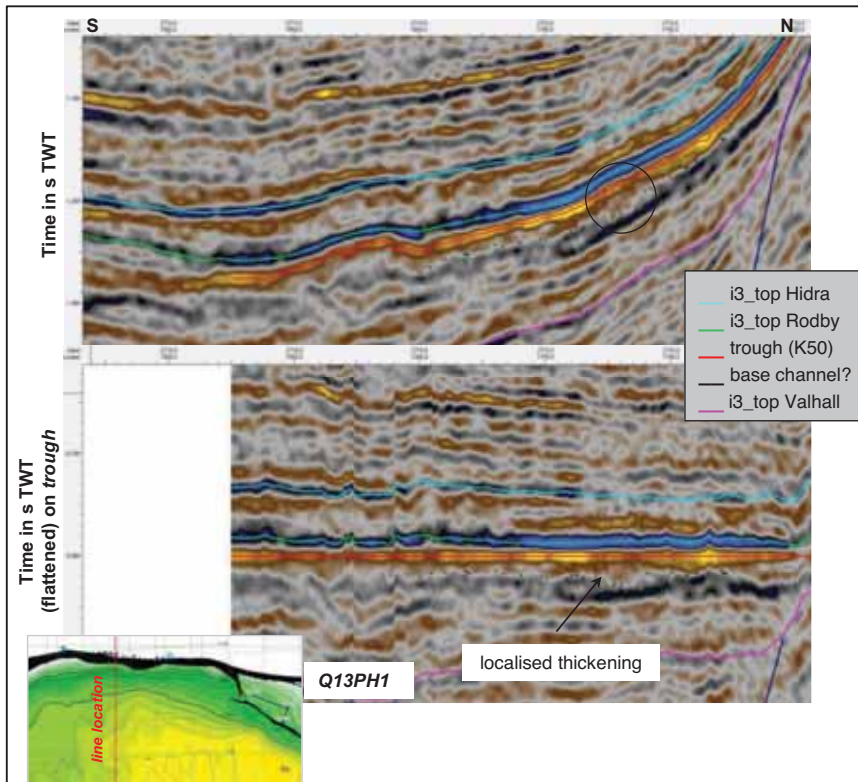


Figure 4-15 Seismic character over the western part of the Serenity area

To the west, closer to Magnolia, the seismic character is different and may correspond to a back-filled channel. Given that there is no structural closure over Serenity, the edge of the mapped TRACS channel could well represent the stratigraphic limit of the sands, thus providing the trapping mechanism to the west.

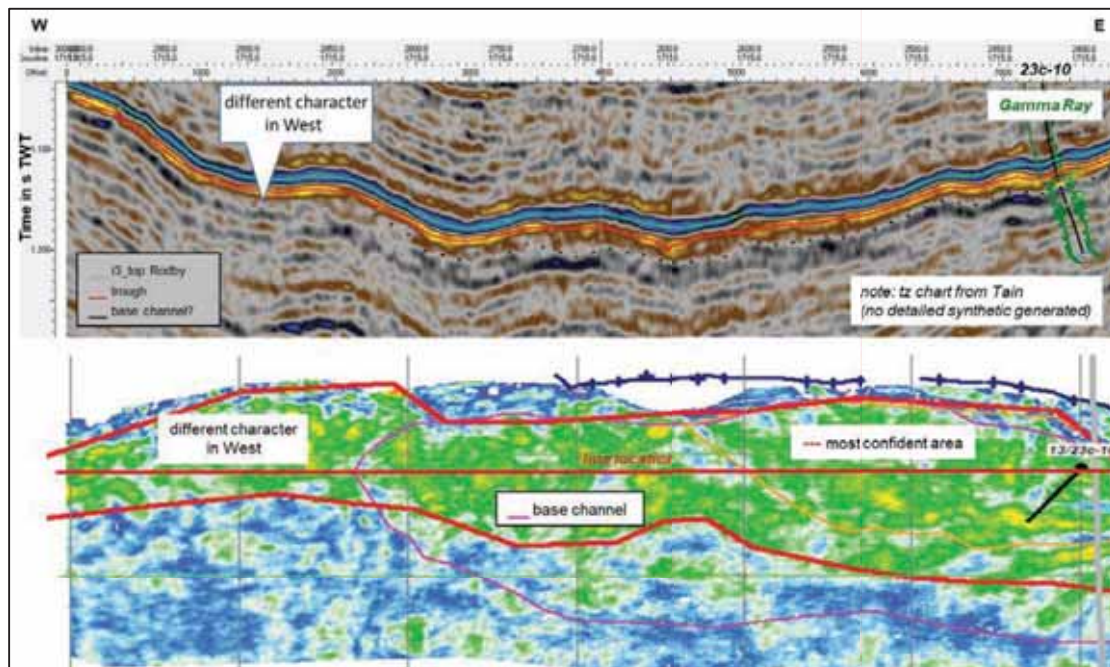


Figure 4-16 Change in seismic character at the far west of Serenity

4.5 Depth conversion

The depth conversion methodology adopted by i3 Energy is a layer-based model incorporating 10 layers using constant interval velocities derived from the Liberator well (23d-8) and additionally 23-1 for the fill within a shallow channel present over the area. The depth conversion method is suitable for use over Serenity.

The supplied top Rødby depth map does not tie the wells in Tain or Magnolia so TRACS tied the map in Petrel. It is not clear exactly how the supplied 'top Serenity' maps have been generated. In numerous places it lies above top Rødby, especially in the west. Clearly this is not possible and so for the purposes of the volume calculations TRACS generated its own top structure map, as described in Section 5.1.

5 In Place Volumes

Because of the high uncertainty in a few key parameters, and the lack of sufficient data to fully define the probability distributions, in-place volumes have been derived using a series of deterministic cases, and no probabilistic evaluation has been carried out.

The key uncertainties on in place volumes are:

- net thickness
- lateral extent of sand
- OWC contact

5.1 Gross Rock Volume (GRV)

A simple slab model was generated in Petrel to allow a range of realisations to be tested quickly and effectively.

Top structure was generated as follows. The top Rødby horizon was tied at the wells and then shifted down by 46 ft (average Rødby Formation thickness in Serenity and surrounding wells) in order to generate a top Captain Formation depth map. Depth uncertainty is not considered to be a major uncertainty for in-place volumes and no variation of top structure was implemented in the volumetric uncertainty analysis.

The oil-bearing Captain Formation (equivalent to the K50.3 sand of i3) is represented by a slab up to 80 ft gross thickness to which different OWCs and lateral sand extent realisations could be applied (see 5.1.1 & 5.1.2). Note that this approach was adopted in order to generate a tool that was flexible enough to handle a wide range of net sand thicknesses (see section 5.2) but avoids hard wiring erroneous thicknesses into the slab model. The seismic character/modelling over Serenity prospect would suggest net sand thickness is no larger than 60ft, see section 4.3.

5.1.1 Contact realisation

The Serenity well encountered a thin oil-bearing sandstone with an ODT of 4747 ft tvdss (Section 3.3). Similarly, the nearby Tain wells (13/23b-5, 5z & 5y) encountered a series of ODTs with the deepest recorded in the -5z well in Coracle sands at 4494 ft tvdss. Based on pressure data and regional mapping, i3 Energy interpret a base case OWC of 5270 ft tvdss, which they believe represents a common OWC between Blake, Tain and Serenity accumulations.

TRACS agree that the OWC as deep as 5270 ft tvdss is feasible but that a shallower OWC at 5130 ft tvdss is plausible given the pressure data available. TRACS consider a low to high case OWC range from 5130-5270 ft. For volumetric purposes, this range is considered a uniform distribution and so the mid case OWC is simply the mid-point at 5200 ft.

Figure 5-1 illustrates schematically the low and high case contact scenarios. Note that both end members honour the existence of a regionally connected aquifer, as supported by regional pressure data.

An ultra-low case scenario, in which the Serenity oil sand represents a completely isolated sand (not connected to the regional aquifer) has not been considered in the volumetrics and is considered extremely unlikely. The key reasons for eliminating this case are as follows:

- Strong evidence for a highly dynamic regional aquifer, injection in the nearby Blake field, combined with current (2019) pressure data from Serenity and Liberator (well 13/23b-11) provide an adequate explanation for why the Serenity oil and water pressures are currently approximately 50 psi over-pressured compared to pre-production pressures in the Captain fairway.
- The presence of an oil-charged sand in Serenity suggests connectivity to a larger hydrocarbon system (the Captain sands in this area are too shallow to be locally charged and require migration from the deeper source area to the east).

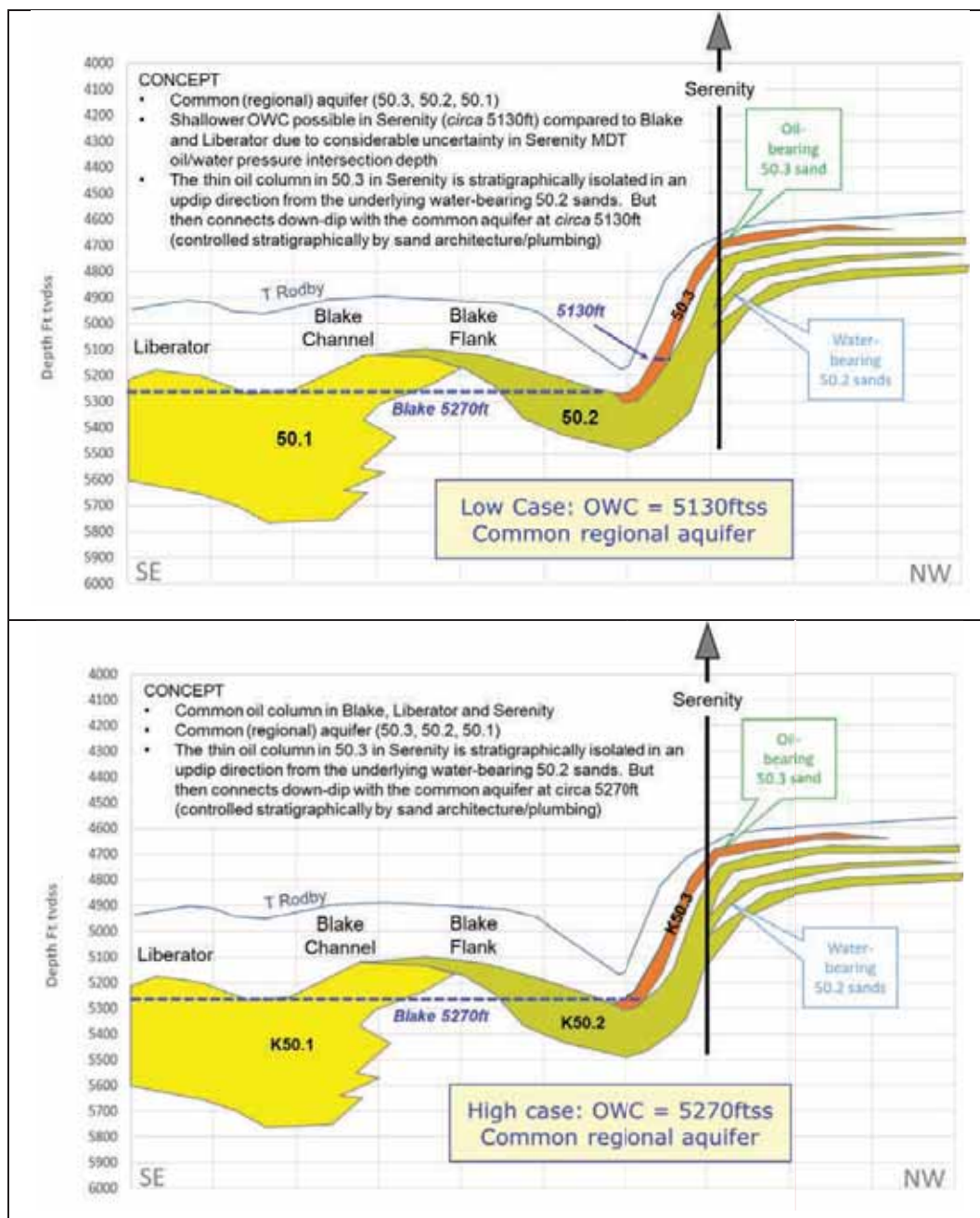


Figure 5-1 TRACS OWC range, schematic view

5.1.2 Lateral sand extents

The main conclusion from the amplitude modelling is that amplitudes cannot be reliably used as an indicator of net sand thickness or fluid fill. In the western part of the structure, TRACS consider the possibility of an alternative channel fairway edge with a more easterly position compared to i3 (Serenity channel polygon).

The following realisations have been selected for the Low-Mid-High cases (and illustrated in Figure 5-2:

- Mid case and Low case: the edge of the Serenity channel (as interpreted by TRACS) is assumed to be the western edge of the sand (4.4)
- High case: uses amplitudes at top Rødby (as suggested by i3)

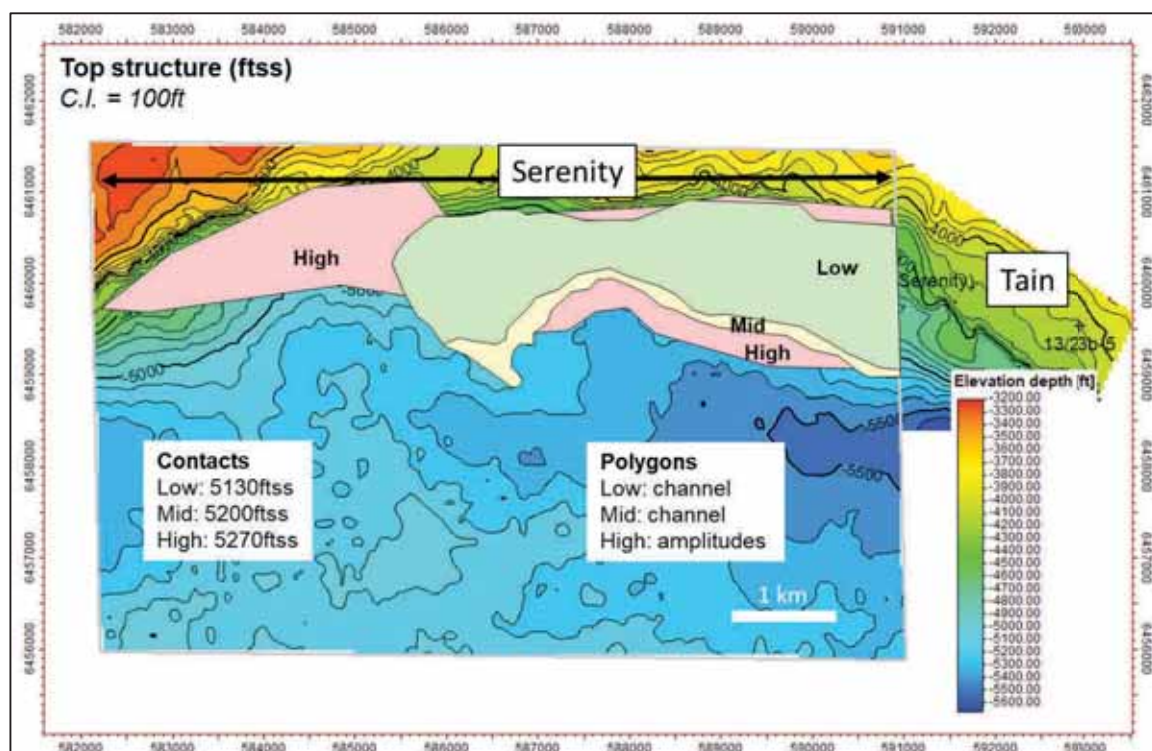


Figure 5-2 Top structure map with volume cases illustrated

5.1.3 Results

The resulting range in GRV is presented in Table 5-1. GRVs are calculated within the license boundary only.

	Gross (slab) thickness ft	OWC ft tvdss	Polygon used	GRV (10⁶ m³)
Low	60	5130	TRACS channel	100
Mid	65	5200	TRACS channel	129
High	70	5270	amplitudes	207

Table 5-1 GRV range

5.2 Properties

TRACS has used average properties for populating the entire rock volume. The properties are guided by the petrophysical averages from the Serenity well (K50.3 unit, Table 3-4) and nearby offset wells in Tain, but also take into account the seismic character.

The range in net sand thickness is presented in Table 5-2. Note that the N/G is a derivation of the net sand thickness with gross (slab) thickness. TRACS assumes a much thinner net sand package than i3 Energy in the mid case and this is driven by the Serenity well data and seismic character over the Serenity structure. Though only 11 ft of net sand was encountered in the Serenity well, TRACS mid case of 16 ft allows for the fact that the 13/23c-10 well was drilled in a relatively up-dip position, therefore closer to the likely northern pinch-out edge of the Captain sands. As discussed previously however, no thick channel facies is observed from seismic data in Serenity suggesting that the mid case net sand thickness does not significantly exceed the net sand pay thickness in Serenity well and nearby Tain well 13/23b-5 where the net sand thickness is approximately 14ft (see Section 4.4, Table 3-3).

In the volumetric model the Captain Sandstone is represented by a slab of 60-65-70 ft gross thickness in the low-mid-high case. The seismic character/modelling over Serenity prospect would suggest net sand thickness is no larger than 60 ft. The High case N/G allows for more net sand but the net sand thickness is not allowed to exceed 60ft (above which an extra loop would be expected on seismic data).

	Net Sand Thickness (ft)	Gross "slab" Thickness (ft)	N/G (fr)
Low	11	60	0.18
Mid	16	65	0.25
High	50	70	0.72
<i>i3 P50</i>	42	-	-

Table 5-2 N/G and net sand thickness range

The net pay thickness inputs used by i3 Energy are more optimistic and assume significant thickening of the reservoir to the west towards the Magnolia well (13/23a-7A), which records a net pay thickness of approximately 100 ft (see Figure 5-3). Though possible, TRACS consider this only likely as a High case. The i3 net thickness map is an interpolation of a small number of well data points with large bullseyes around the wells particularly Magnolia, which is nearly 9 km away from 13/23c-10. TRACS Low and Mid cases are guided by the nearest wells (Serenity and Tain) combined with seismic character.

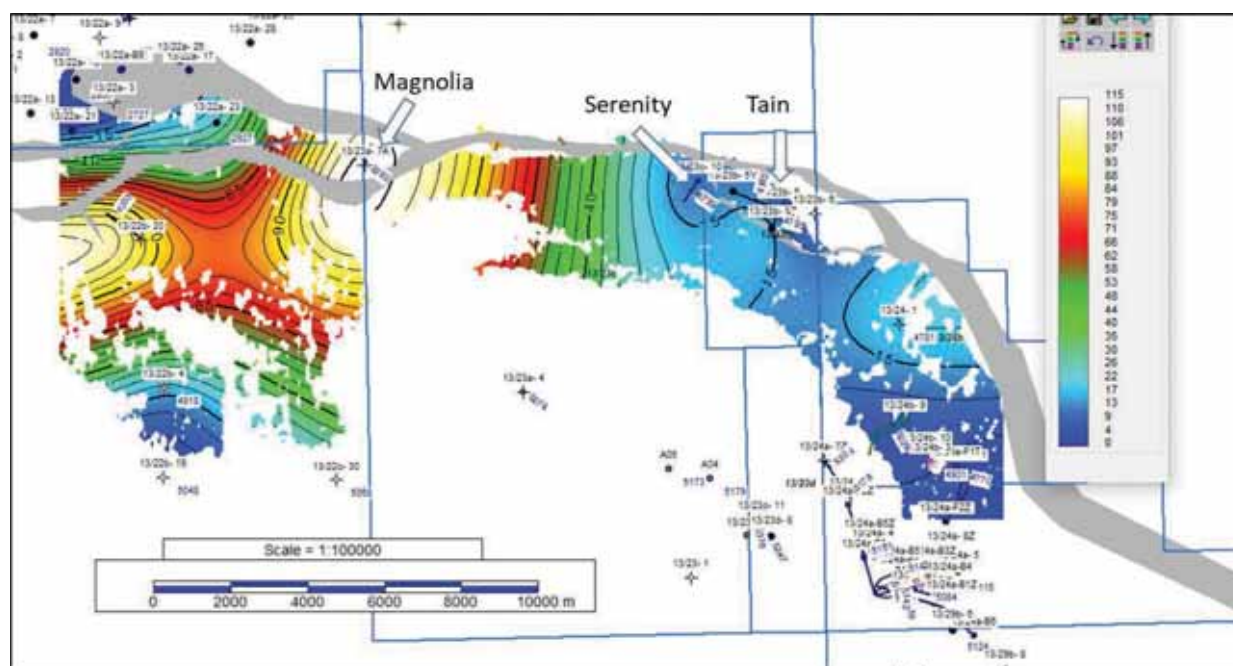


Figure 5-3 i3 Energy view of net sand thickness

Porosity and saturation are guided by the average properties in the wells. Overall, TRACS and i3 property inputs are similar (Table 5-3). The FVF is consistent with the PVT data from Serenity and Tain.

	PHI (fr)	So (fr)	FVF (v/v)
Low	0.28	0.60	1.17
Mid	0.32	0.75	1.15
High	0.34	0.85	1.13
<i>i3 P50</i>	0.28	0.78	1.16

Table 5-3 Porosity, oil saturation and FVF range

5.3 STOIIP evaluation

The elements described in the previous section were brought together to calculate in place volumes for three deterministic cases (Table 5-4 & Table 5-5).

Case	OWC ft tvdss	Polygon	GRV 10 ⁶ m ³	N/G fr	Net sand ft	PHI fr	S _o fr	FVF v/v	STOIIP MMstb
Low	5130	Serenity channel	100	0.18	11	0.28	0.6	1.17	16
Mid	5200	Serenity channel	129	0.25	16	0.32	0.75	1.15	42
High	5270	Rødby amplitude	207	0.72	50	0.34	0.85	1.13	240

Table 5-4 Summary of TRACS STOIIP inputs and results

Case	TRACS STOIIP (MMstb)	i3 Energy STOIIP (MMstb)	Case
Low	16	109	P90
Mid	42	190	P50
High	240	273	P10

Table 5-5 Comparison of STOIIP results

TRACS STOIIP estimates are lower than the i3 Energy volumes and this can be attributed to:

- smaller net sand thickness used by TRACS – driven by seismic character and observations in the Serenity and Tain wells
- use of more limited sand polygon in TRACS Low and Mid case – driven by seismic character
- use of shallower contact in the TRACS Low and Mid case; all 3 cases generated by i3 Energy use an OWC of -5270ft tvdss

In all cases it is assumed that the fluid fill is 100% oil. Similar to Blake and Liberator, there is a possibility that gas is present locally at the crest. If so, they are likely to be thin gas caps. This is not captured in the in place volume range presented here.

6 Reservoir Engineering

6.1 Data review

Data provided consisted of:

- Formation pressures and limited PVT data from the Serenity discovery well. A single oil sample was acquired at a depth of 5331.3 ft MD. At the time of this review only interim PVT data was available, which included surface densities but no estimate of reservoir conditions saturation pressure or GOR.
- Fluid properties for this review are based on PVT data from Tain, Liberator and Blake fields
- Production history data from Blake including recovery to date, plus Captain field voidage history
- DST (drill stem test) data from well 13/23b-5Z
- The Client's t-Navigator regional dynamic simulation model over the Serenity prospect, Tain, Liberator area and Blake Field.

Based on the measured reservoir fluid properties of the Serenity and Tain discovery wells 13/23c-10 and 13/23b-5Z, the Serenity reservoir fluid is likely to be similar to the Tain and Liberator fluids (Table 6-1). The flashed Serenity fluid samples API is slightly lower than Tain and is expected to be most similar to the Liberator fluid.

	Serenity	Tain	Liberator	Blake	
Oil gravity	31.4	33.8	30.5	30.3	API
GOR		298	341	358	scf/bbl
P_b		1645	2263	2358	psi
B_o (@P_b)		1.142	1.16	1.168	v/v
Oil vis (@P_b)		1.87	1.9	1.89	cP

Table 6-1 Oil properties at initial conditions – Serenity, Tain, Blake & Liberator

The difference in the fluid properties suggests there is uncertainty whether the oil leg is connected between Serenity/Tain and Blake fields. If connection occurs, the oil compositions must vary areally or vertically, as the Serenity and Tain oil zone is located at a much shallower depth than the Blake and Liberator oil zones. This could be explained by the complex charge history combined with the time it takes for the system to equilibrate in the presence of permeability baffles, e.g. faults and stratigraphic baffles.

6.2 Evaluation

To help understand the regional dynamic pressure story and the OWC cases for Serenity, i3's t-Navigator regional dynamic simulation model was reviewed. The pressures in the basin at Serenity and Liberator are sensitive to:

- Injection at Blake, particularly well B7z
- Connectivity of layers at B7z to the measured units in Serenity and Liberator
- Connectivity between Blake basin area and Captain field area to the West.

In i3's reference case model the basin area is open to the west towards Captain field and closed to the South, which configuration results in near normal pressures in the basin. Figure 6-1 shows a variant of the i3 model in which there is poor connectivity to the west and this results in significant pressure movement in the basin, of order 100 psi at Serenity. This variant is not intended as a history match, but it confirms the plausibility of reservoir continuity between Blake and Serenity and provides an explanation for the excess pressures recorded in the MDT pressure data from the 2019 Serenity and Liberator wells.

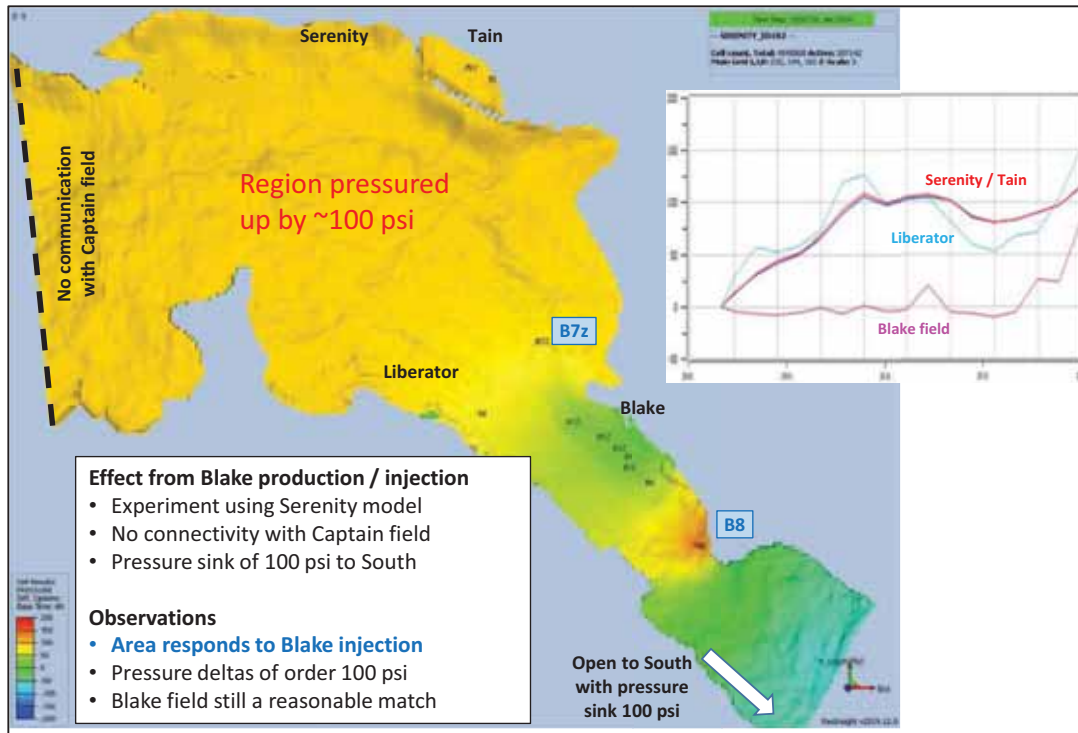


Figure 6-1 Variant of i3 regional model showing example of excess pressures at Serenity

6.3 Depletion / Solution Gas Drive

Given the uncertainty associated with volumes in place, only a high level assessment of recovery factors was undertaken taking into account information available from Blake and Liberator fields and the results of an i3 preliminary reservoir simulation.

Figure 6-2 shows a depletion recovery factor case from an analytical material balance depletion tool, based on the technique outlined by Laurie Dake in "The Practice of Reservoir Engineering", published by Elsevier. [Chapter 3.7 - Volumetric Depletion Fields].

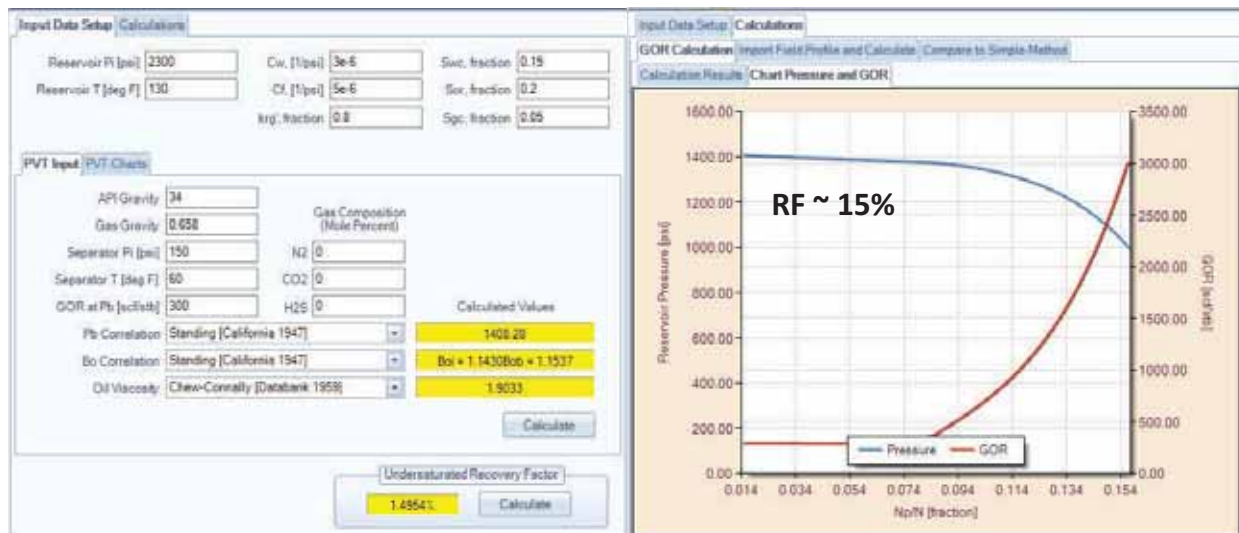


Figure 6-2 Analytical model for depletion recovery factor for low case

6.4 Water Flood Recovery

Figure 6-3 shows cases from an analytical tool for calculation of recovery factor based on the equation developed by the American Petroleum Institute (API) "A Statistical Study of Recovery Efficiency", 1967. The tool shows that the microscopic sweep efficiency in the range 56 – 59 - 62%, which depends on permeability, with cases for 500 – 1000 – 2000 mD, which i3 has viewed as a reasonable uncertainty range and is consistent with published literature from the Captain sand fairway (Ref 1). Rounded numbers to the nearest 5% have been used as a range (55% to 60%) in the recovery factor calculation for development EUR (Section 7.2).

This would imply recovery factors ranging from 45 – 47 - 50% for a high case with 80% macroscopic sweep efficiency, which would be a high case where there are sufficient producers and injectors to sweep most of the drainage area excepting limited areas around the periphery of the field and up-dip attic volumes.

The figure displays three sequential screenshots of a software interface titled "Waterdrive Recovery Factor Estimate". Each screenshot shows a set of input parameters and a resulting recovery factor percentage.

Permeability [mD]	Oil FVF Bo [rb/stb]	Recovery Factor [%]
500	1.15	55.824%
1000	1.15	58.885%
2000	1.15	62.113%

Common parameters across all screenshots include: Porosity [fraction] = 0.2, Sw [fraction] = 0.15, Initial Pressure [psi] = 2300, Abandonment Pressure [psi] = 1000, Oil Viscosity [cP] = 1.9, and Water Viscosity [cP] = 1.28. The bottom screenshot also shows "Calculate" and "Cancel" buttons.

Figure 6-3 Analytical model cases for water flood recovery factor (microscopic sweep) for mid/high cases

7 Appraisal and Development Plans

7.1 Overview

The Serenity discovery well lies in block 13/23c immediately to the west and down-dip of the Tain discovery and 3 km west of the northern part of the producing Blake Field. The 13/23c-10 discovery encountered an ODT in thin (11 ft), but high-quality sandstones in a near-crestal location. TRACS consider that significant subsurface uncertainty remains, principally the position of the OWC and net sand thickness and continuity across the structure. Further appraisal is required in order to narrow the range of potential resources and understand reservoir development, particularly in the west of the Serenity structure.

i3 Energy currently anticipate a 2020/21 appraisal programme that will focus on Serenity (two wells plus side-tracks) with an additional two-well option for the Liberator West/Minos high area. A farm-out process is ongoing with parties in i3's data room.

7.2 Development options

Detailed development strategy, options and economics have not been evaluated as part of this resource audit.

No firm development plans exist at present, though it is reasonable that Serenity could be produced as a phased development across existing infrastructure. For this review a notional development phasing is assumed as follows:

1. Serenity could be developed initially as a single well tie-back into the proposed Tain development, though no decision will be made on this development option until further appraisal has taken place. Public statements from the partner in the Tain field indicate the Tain project will be moving towards FDP mid-2020 based on a 2 well tie-back, via dedicated pipeline (19 km) to the Bleo Holm FPSO. The Tain operator, Repsol Sinopec Resources UK (RSRUK), issued an environmental statement for the proposed Tain development in March 2020 and first oil is targeted for Q3 2022.
2. Contingent on further appraisal of Serenity, there may be an economic case for further development by a water flood with up to 3 further producers and 3 injectors. In the mid and high cases there production volumes would justify a standalone FPSO development.

The following figures show schematics of the Serenity development in the deterministic low, mid and high cases.

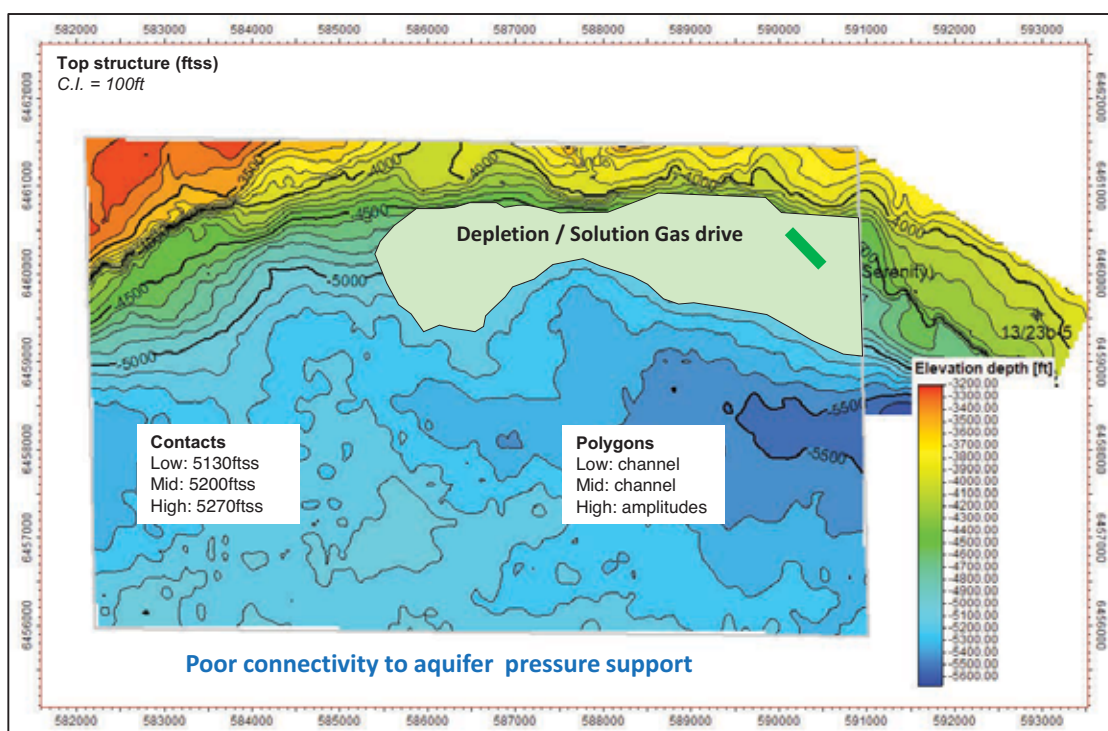


Figure 7-1 Notional single well tie-back development in the deterministic low case

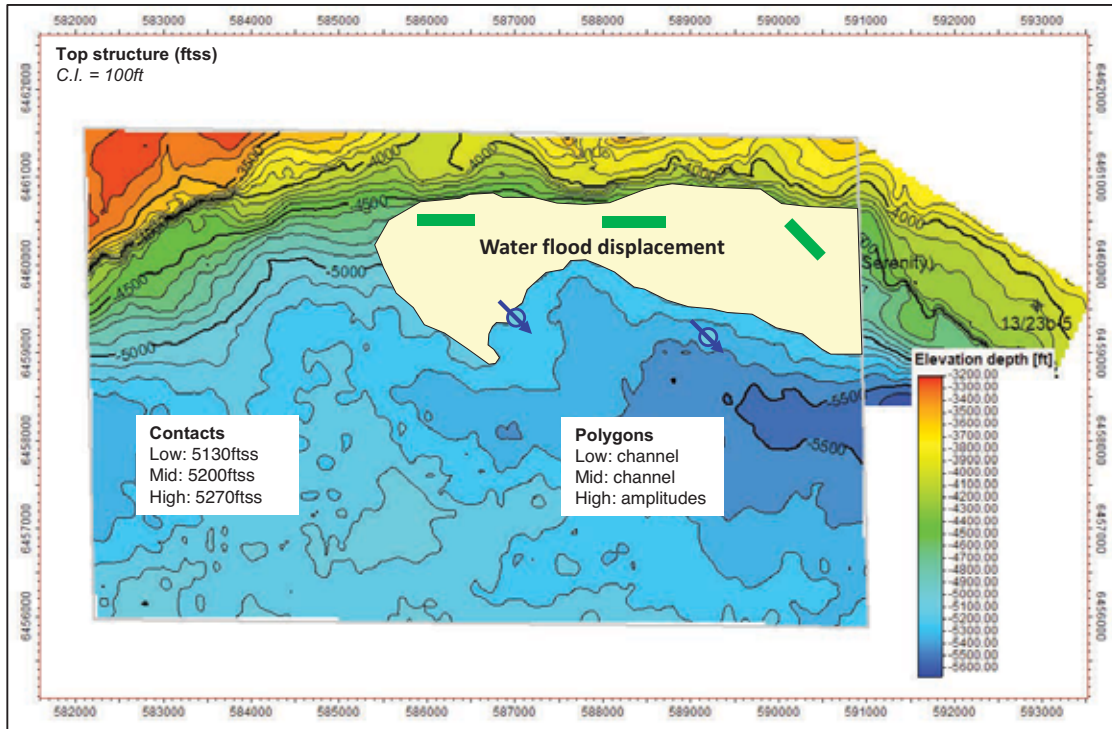


Figure 7-2 Notional water flood development in the deterministic mid case

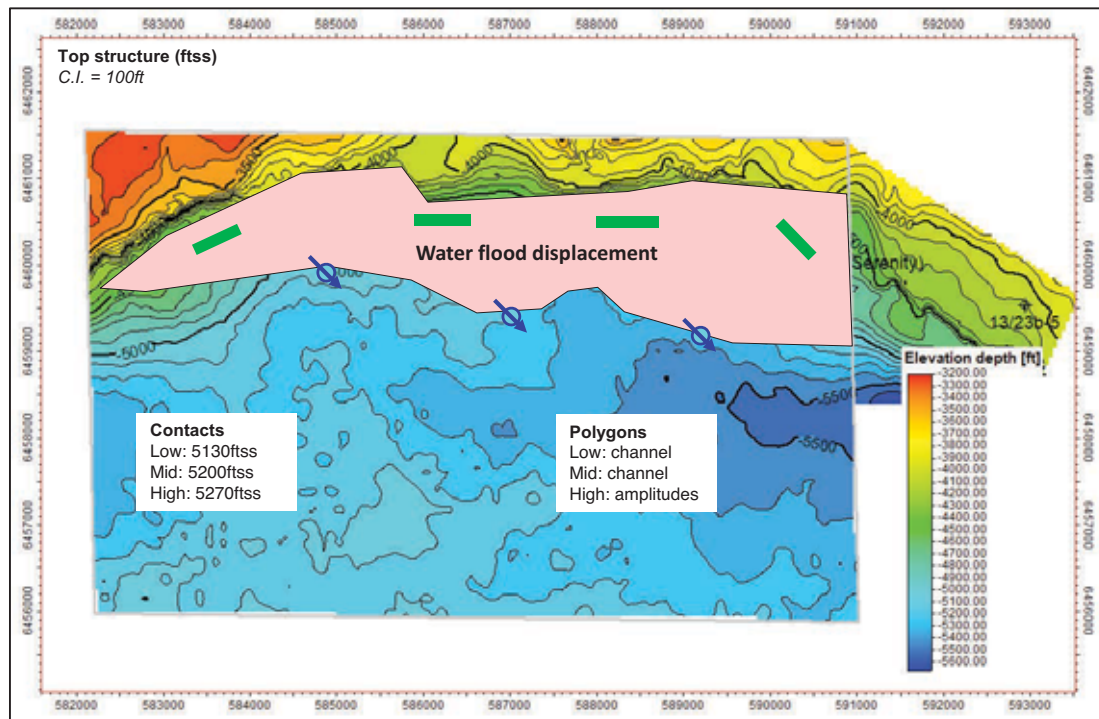


Figure 7-3 Notional water flood development in the deterministic high case

7.2.1 Phase 1 Single Well Tie-Back

Recovery factors have been defined for a single well tie back project in the deterministic cases.

- The low case is based on the low volumetric case, assumes poor connectivity to aquifer pressure support, and has only the preliminary development well. Figure 7-1 shows the location of the

drainage area and development well. The preliminary well produces via a depletion and solution gas drive process. The recovery factor of 15% is based on the analytical model with the Liberator / Tain fluid properties (Boi ~ 1.13 – 1.17 rb/stb, GOR 300 – 340 scf/stb).

- The mid and high cases may produce via natural water drive, but with poor areal sweep efficiency from a single drainage point in the polygon. Areal sweep is assumed 30% in the mid case and 25% in the high case, which also result in a recovery factor of ~ 15% for these cases.

Table 7-1 shows the deterministic cases with recovery processes and resulting CR for a phase 1 single well tie-back development.

Phase 1 Case	STOIIP MMstb	Aquifer strength	Recovery Process	Micro sweep	Phase 1 (CR Development Unclarified)			
					#wells	Drainage	RF pct	Incr. CR
Low	16	Weak	Depl/SGD	15%	1p	100%	15%	2.4
Mid	42	Moderate	Nat. WD	55%	1p	30%	15%	6.5
High	240	Strong	Nat. WD	60%	1p	25%	15%	36.0

Table 7-1 Deterministic cases recovery for a phase 1 single well tie-back development

7.2.2 Phase 2 Standalone Water Flood

Recovery factors have been defined for standalone water flood project in the deterministic cases.

- In the low case the depletion of the preliminary well will be evidence for low STOIIP and poor connectivity to the aquifer, in which case there would be no further development.
- In the mid case there is a further water flood development with further 2 producers and 2 injectors. Figure 7-2 shows the location of the drainage area and development wells. A moderate areal sweep efficiency of 70% is assumed. In addition a microscopic sweep efficiency of 55% is used (low end of the range from the work shown in Section 6.4). This gives a total recovery factor of 39%.
- In the high case there is a further water flood development with further 3 producers and 3 injectors. Figure 7-3 shows the location of the drainage area and development wells. A higher areal sweep efficiency of 80% is assumed. A microscopic sweep efficiency of 60% is assumed in the high case (high case from range from Section 6.4) giving a total recovery factor of 48%.

Table 7-2 shows the deterministic cases with recovery processes and resulting CR for a phase 2 standalone water flood development.

Phase 2 Case	STOIIP MMstb	Aquifer strength	Recovery Process	Micro sweep	Phase 2 (CR Development Unclarified)			
					#wells	Drainage	RF pct	Incr. CR
Low	16	Weak	-	-	-	-	15%	0.0
Mid	42	Moderate	Water flood	55%	+2p, 2i	70%	39%	9.7
High	240	Strong	Water flood	60%	+3p, 3i	80%	48%	79.2

Table 7-2 Deterministic cases recovery for a phase 2 water flood development

7.3 Summary Development Recovery

Table 7-3 shows a summary of Serenity CR projects and recovery.

Summary CR Case	STOIIP MMstb	Phase 1 (Unclarified)		Phase 2 (Unclarified)		Total all phases	
		#wells	Incr CR	#wells	Incr CR	Total CR	RF pct
Low	16	1p	2.4	-	-	2.4	15%
Mid	42	1p	6.5	2p, 2i	9.7	16.2	39%
High	240	1p	36.0	3p, 3i	79.2	115.2	48%

Table 7-3 Summary Serenity recovery by phase and total CR

8 Resource Estimation

The primary objective of the resource assessment has been to evaluate the Contingent resources of Serenity discovery, providing a range of STOIIP and associated range of recovery factors to arrive at a range of recoverable resources.

8.1 Classification

The Serenity discovery has resources defined for two development phases in the Contingent Resource, Development Unclassified categories. The development phases are presented in 7.2.

Note that development planning is at a preliminary stage and no economic value has been determined. A Risk Factor reflecting the chance of development has not been evaluated for the Serenity project because of the preliminary nature of the analysis.

Development	Project Description	Resource Category
Phase 1	Single well tie-back into the Tain development	CR Development Unclassified, non-Technical contingency
Phase 2	Water flood with up to 3 additional producers and 3 injectors, standalone FPSO development	CR Development Unclassified, non-Technical and Technical contingency

Table 8-1 Serenity discovery – Contingent resource summary

8.2 Contingent Resources

Table 8-2 shows a summary of the unrisks contingent resources described in section 7. Estimates of contingent resources are prepared in accordance with reserves definitions presented in the SPE's Petroleum Resources Management System ("SPE-PRMS" summary in Appendix A – Summary of 2018 SPE Petroleum Resource Management System Classification).

i3 Energy Working Interest 100%, Unrisks									
Asset	Resource Category	Company Share Gross Resources				Company Share Net Resources			
		Oil (MMstb)	Sales Gas (MMscf)	NGL (MMbbl)	BOE (MMbbl)	Oil (MMstb)	Sales Gas (MMscf)	NGL (MMbbl)	BOE (MMbbl)
Serenity, Block 13/23c	1C	2.4	-	-	2.4	2.4	-	-	2.4
	2C	16.2	-	-	16.2	16.2	-	-	16.2
	3C	115.2	-	-	115.2	115.2	-	-	115.2

Table 8-2 Serenity Discovery – Contingent Resource summary

9 References

Ref 1 Shell UK Limited. Peterhead CCS Project: Static Model Reports (Doc No PCCS-05-PTD-ZG-0580-00001), March 2015

10 Glossary of Terms

\$	US Dollars	HCDT	Hydro-Carbon Down To
%	percent	HCWC	Hydro-Carbon Water Contact
°C	Degrees Celcius	IRR	Internal Rate of Return (from MOD cashflows)
2D	Two Dimensional	JV	Joint Venture
3D	Three Dimensional	K	Permeability
API	American Petroleum Institute	km	Kilometre
AVO	Amplitude Variation with Offset	km ²	Square kilometres
Av Phi	Average Porosity (from log evaluation)	m	metre
Av Sw	Average water Saturation (from log evaluation)	Mbbls	thousand barrels of oil (unless otherwise stated)
bbls	Barrels	Mboe	thousand barrels of oil equivalent
Bscf	Billion standard cubic feet of natural gas	Mbopd	thousand barrels of oil per day
bfpd	Barrels of fluid per day	Mcf	thousand cubic feet
boe	barrels of oil equivalent	Mcfd	thousand cubic feet per day of natural gas
boepd	barrels of oil equivalent per day	MD	Measured Depth
bopd	barrels oil per day	mD	milli Darcies
bpd	barrels per day	MM	million
bwpd	barrels of water per day	MMbbls	million barrels of oil
Cali	Caliper	MMstb	million stock-tank barrels of oil
Capex	capital expenditure	MMbo	million barrels of oil
CGR	Condensate Gas Ratio	MMboe	million barrels of oil equivalent
cm ³	cubic centimetre	MMcf	million cubic feet of natural gas
m ³	cubic metre	MMscfd	million cubic feet of natural gas per day
COCS	Chance of Commercial Success	MOD	Money Of the Day
CPI	Computer Processed Interpretation (of logs)	N/G	Net to Gross
CT	Corporation Tax	Neu	Neutron log
Den	Density log	NFA	No Further Activity
D res	Deep resistivity log (deep investigation)	NPV	Net Present Value
DST	Drill Stem Test	OBC	Ocean Bottom Cable
DT	Sonic log	ODT	Oil Down To
E & A	Exploration & Appraisal	OML	Oil Mining Licence
ft	feet	Opex	operating expenditure
FTHP	Flowing Tubing Head Pressure	OPL	Oil Prospecting Lease
FWL	Free Water Level	OUT	Oil Up To
G & G	Geological and Geophysical	OWC	Oil Water Contact
Gas sat	Gas saturation	P & A	Plugged and Abandoned
GDT	Gas Down To	p.a.	per annum
GIIP	Gas Initially In Place	P10	10% probability of being exceeded
GOR	Gas to Oil Ratio	P50	50% probability of being exceeded
GR	Gamma Ray log	P90	90% probability of being exceeded
GRV	Gross Rock Volume	POS	Possibility Of Success
GUT	Gas Up To	ppm wt	Parts per million by weight
GWC	Gas Water Contact	PRMS	Petroleum Resource Management System

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PSC	Production Sharing Contract	ss	subsea
psi	pounds per square inch	STOIIP	Stock Tank Oil Initially In Place
psia	pounds per square inch absolute	Sw	water Saturation
PV	Present Value	Swavg	average water Saturation
PVT	Pressure Volume Temperature	Sxo	water Saturation in invaded zone
RF	Recovery Factor	TD	Total Depth
RFT	Repeat Formation Tester	tvd	true vertical depth
RROR	Real Rate of Return (from RT cashflows)	tvdss	true vertical depth subsea
RT	Real Terms	tvt	true vertical thickness
SG	Specific Gravity	TWT	Two-Way Time
SMT Kingdom	a PC-based interpretation workstation	WI	Working Interest
SPE	Society of Petroleum Engineers		
sq km	square kilometres		
S res	Short resistivity log (shallow investigation)		

Appendix A – Summary of 2018 SPE Petroleum Resource Management System Classification

The following table has paragraphs that are quoted from the 2018 SPE PRMS Guidance Notes and summarise the key resources categories, while Figure A 1 shows the recommended resources classification framework.

Class/Sub-class	Definition
Reserves	Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions.
On Production	The development project is currently producing and selling petroleum to market.
Approved for Development	All necessary approvals have been obtained, capital funds have been committed, and implementation of the development project is under way.
Justified for Development	Implementation of the development project is justified on the basis of reasonable forecast commercial conditions at the time of reporting, and there are reasonable expectations that all necessary approvals/contracts will be obtained.
Contingent Resources	Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies.
Development Pending	A discovered accumulation where project activities are ongoing to justify commercial development in the foreseeable future.
Development on Hold	A discovered accumulation where project activities are on hold and/or where justification as a commercial development may be subject to significant delay.
Development Unclassified	A discovered accumulation where project activities are under evaluation and where justification as a commercial development is unknown based on available information.
Development Not Viable	A discovered accumulation for which there are no current plans to develop or to acquire additional data at the time due to limited production potential.
Prospective Resources	Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.
Prospect	A project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target.
Lead	A project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation to be classified as a Prospect.
Play	A project associated with a prospective trend of potential prospects, but that requires more data acquisition and/or evaluation to define specific Leads or Prospects.

Table A 1 Summary of 2018 SPE Petroleum Resources Classification

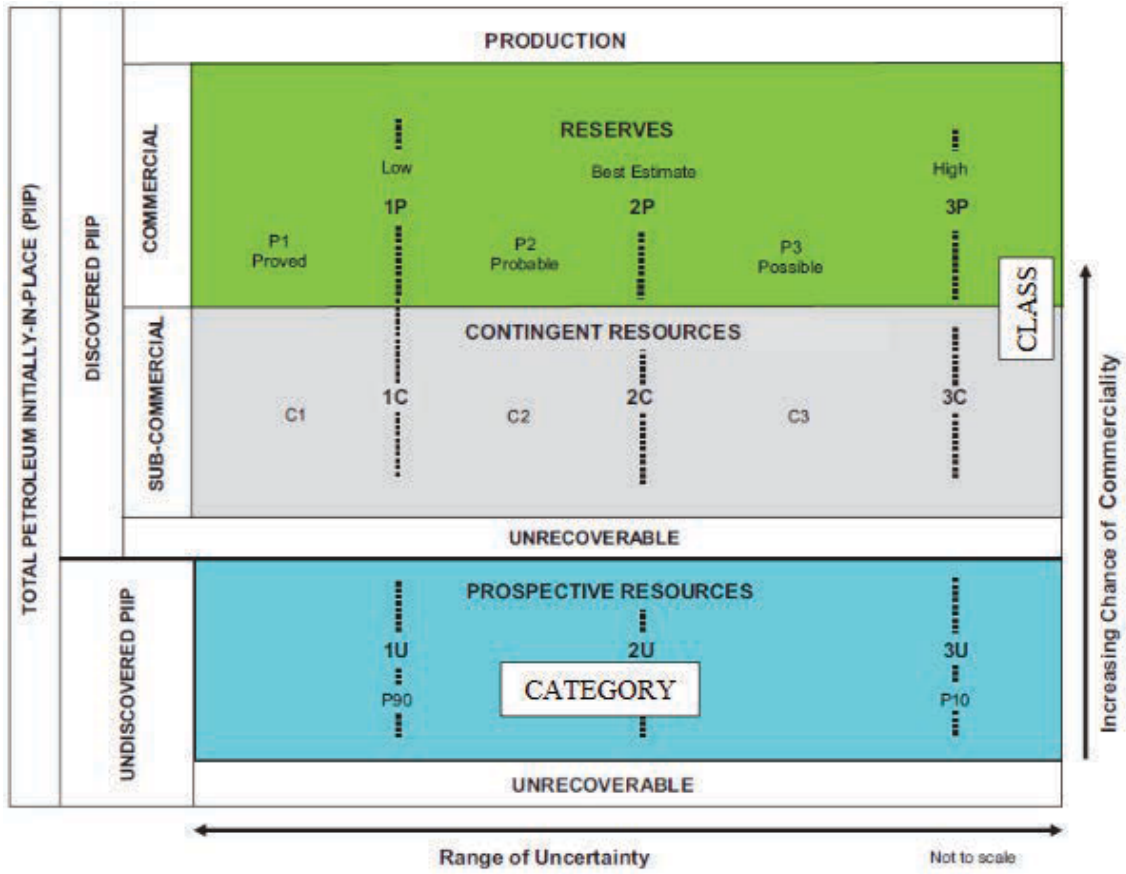


Figure A 1 SPE PRMS Petroleum Resources Classification Framework

PART VII

UK REGULATORY ENVIRONMENT

1. LICENSING REGIME FOR OIL AND GAS OPERATIONS IN THE UK

1.1 Overview

The Petroleum Act 1998 (the “Petroleum Act”) vests all rights to the UK’s petroleum resources in the crown and provides the OGA with the power to grant licences that confer exclusive rights to ‘search and bore for and get’ petroleum.

Each of these licenses confers such rights over a limited area and for a limited period. Licences are usually awarded through competitive licensing rounds held annually and conducted by OGA, although in exceptional circumstances licences may be granted by OGA outside of the ordinary licensing rounds.

The licensing system covers oil and gas within Great Britain, its territorial sea and on the UKCS, including offshore Northern Ireland. The designated area of the UKCS has been refined over the years by a series of designations under the Continental Shelf Act 1964 following the conclusion of boundary agreements with neighbouring states.

Licences can be held by a single company or by several working together. All of the companies holding a licence are jointly and severally liable for the licence obligations.

There are three types of offshore production licences awarded: (i) the production licence; (ii) the innovate licence; and (iii) the exploration licence.

The production licence runs for three successive periods or terms:

- Initial term: the licence will expire at the end of its initial term (4 years) unless the licensee has completed an agreed work programme and surrendered a fixed amount of acreage (usually 50 per cent.).
- Second term: there is no agreed work programme; instead the licence will expire at the end of its second term (4 years) unless the OGA has approved a development plan.
- Third term: the third term is intended for production and is for 18 years.

The innovate licence offers greater flexibility in the durations of the initial and second terms. An applicant for an innovate licence is able to propose the durations of the initial and second terms, and among the permutations that may be proposed are those that represent those associated with each of the older types of licence. The initial term of an innovate licence can be subdivided up into 3 phases, with the work programme being correspondingly divided:

- Phase A: a period for carrying out geotechnical studies and geophysical data reprocessing;
- Phase B: a period for undertaking seismic surveys and acquiring other geophysical data; and
- Phase C: for drilling.

The phases are optional and dependent upon the applicant’s plans, however, every work programme must have at least a drilling commitment. It remains that a licence may only continue from the initial term into the second term provided that the initial term work programme has been completed and 50 per cent. of the initial acreage has been surrendered. An innovate licence may only continue from one phase into another if that part of the term work programme associated with the earlier phase has been completed and if the licensee has committed to complete that part associated with the next. When continuing into phase C, the licensee must also demonstrate the technical and financial capacity to carry out the phase C part of the work programme.

Exploration licences are useful for seismic contractors who wish to gather data to sell rather than to exploit geological resources themselves, and to holders of production licences who wish to explore outside the areas where they hold or require exclusive rights. An exploration

licence grants right to explore only, not to produce; and is non-exclusive, covering all acreage outside those areas covered by any of the corresponding production licences that are in force at the time. In most cases it will be necessary to obtain further consents to specific operations such as shallow drilling and seismic surveys in compliance with the Offshore Petroleum Activities (Conservation of Habitats) Regulations 2001 (as amended).

The Petroleum Act requires model clauses to be laid in secondary legislation, which are then incorporated into new licences (except in particular cases). Existing licences are not affected by the issue of subsequent sets of model clauses (except through specifically retrospective measures such as were present in the Petroleum Act). The model clauses give the OGA the power to approve the appointment of a licence operator and to direct or restrict certain of the licensee's activities, including prohibiting a licensee from carrying out development or production activities other than with the consent of the OGA, or in accordance with a government-approved development plan. A licence may be revoked by the OGA for a number of reasons set out in the model clauses, which include if the licensee fails to comply with the requirements of the licence.

Licence assignments are prohibited unless they have the prior consent of the OGA. There are a number of issues that the OGA will take into account when deciding whether or not to give its approval including the technical and financial capacity of an assignee to discharge licence obligations.

The model clauses do not impose any requirement for approval of a change of control of a Licensee, but the OGA does have the power to require a further change of control, and failing that a power of revocation. This may mean the complete revocation of the licence, or partial revocation in respect of the company concerned, which in practical terms amounts to the removal of the company from the licence, while the licence continues in the hands of its former partners. The existence of this power can result in a request for comfort that the OGA is not minded to exercise it. The OGA is generally willing to consider such requests.

A pipeline works authorisation or variation should be in place before any pipeline or pipeline system construction or modification works of begins.

1.2 MER UK

The Infrastructure Act 2015 put into statute the principal objective of maximising the economic recovery of the UK's offshore oil and gas resources. The Act also provides the legislative basis for the MER UK Strategy (the "**Strategy**") and the requirement for the OGA and industry to act in accordance with the Strategy, which sets out how, in practice, the principle objective should be achieved by the OGA and industry.

The Strategy came into force on 18 March 2016. Its central obligation states that "relevant persons must take the steps necessary to secure that the maximum value of economically recoverable petroleum is recovered from the strata beneath UK waters." The central obligation is binding on relevant persons and the OGA, and to assist with its effective delivery, the Strategy also sets out a number of supporting obligations, required actions and behaviours. These expand on how the central obligation applies in particular circumstances and specify the actions and behaviours to be adopted by relevant persons when carrying out activities in the UKCS.

The Strategy also contains a number of safeguards; the central and supporting obligations, required actions and behaviours should be read subject to those safeguards. The supporting obligations cover: exploration, development, asset stewardship, technology and decommissioning. The Strategy also sets out required actions and behaviours included in the obligations. These cover: timing, collaboration, cost reduction and actions where relevant parties decide not to ensure maximum economic recovery.

The safeguards set out protections for industry and the OGA and include clarification that:

- no obligation under the Strategy will require a relevant person to breach any legislation, including competition law;
- the OGA is bound by its duties under common law, including that it must at all times act reasonably;

- the Strategy sets no obligations where a proposed investment or funded activity fails to deliver a satisfactory expected commercial return;
- no obligation under the Strategy requires any conduct where the benefits to the UK deriving from it are outweighed by the damage to the confidence of investors in UK oil and gas.

The Strategy also enables the OGA to produce plans, which set out its view of how any of the obligations may be met.

The Energy Act 2016 also provides the OGA with new regulatory powers, including the ability to participate in meetings with operators, to have access to data, provide dispute resolution and introduce a range of sanctions such as enforcement notices and fines of up to £1 million.

1.3 **Third party access to infrastructure**

The OGA can consider disputes between persons where 'third party access' to upstream petroleum infrastructure is being sought (for conveyance through a pipeline or processing by an oil or gas processing facility owned by another person) under Part 2 Chapter 3 of the Energy Act 2011. This procedure can lead to a binding solution being imposed by the OGA on the persons in dispute.

Companies seeking access for their hydrocarbons to such infrastructure must apply in the first instance to the relevant owner of the infrastructure in question. The Infrastructure Code of Practice describes good practice for negotiating third party access. The OGA has published guidance setting out the requirements and obligations on all parties, the approach the OGA would take in handling applications and the principles the OGA would expect to be guided by in determining terms of access.

1.4 **Decommissioning**

The Petroleum Act governs the decommissioning of offshore installations and pipelines. The Secretary of State may serve a notice (known as a "**Section 29 Notice**") on a wide range of persons requiring them to submit a decommissioning programme. Once a decommissioning programme is approved by the Secretary of State, the recipients of the Section 29 Notice have an obligation to carry it out.

The Secretary of State will usually serve a section 29 Notice on the operator, the licensees and the parties to the joint operating agreement and, in the case of a pipeline, the owner of the pipeline. However, the Secretary of State may also serve a Section 29 Notice on their parent companies or other associates.

If a company disposes of its interest in an offshore installation or pipeline, the Secretary of State may exercise his discretion to withdraw the notice. However, if the Secretary of State does so, he or she can re-impose a decommissioning liability on a party that has previously been released from such an obligation.

The obligation to carry out the approved decommissioning programme is joint and several.

The decommissioning regime under the Petroleum Act applies to offshore installations and pipelines. Onshore petroleum installations and pipelines will also be subject to decommissioning obligations and site re-instatement obligations under planning and environmental permitting regimes.

2. UNITED KINGDOM ENVIRONMENTAL REGULATIONS

2.1 **Offshore regime**

Offshore operations on the UKCS are subject to numerous international, European Union and national laws and regulations relating to EHS matters. These EHS laws and regulations apply at various stages, including before oil and gas production activities commence, during exploration and production activities and during and after decommissioning. They give rise to operational rules and regulations, generally through planning and permitting regimes. They also give rise to operational liabilities, and rules governing those liabilities, in the event of incidents, accidental spillages or discharges.

Before a UK licensing round begins, OGA will consult with various public bodies that have responsibility for the environment. Applicants for production licences must demonstrate adequate environmental competence and the application will generally include an environmental assessment of the licence block's environmental sensitivities. Where the applicant is not an established operator, the application must also include other environmental submissions such as a statement of the general environmental policy of the operator in respect of the contemplated licence activities, a summary of the operator's management systems to implement the environmental policy and confirmation as to how those systems will be applied to the proposed work programme.

Additionally, the Offshore Petroleum Production and Pipelines (Assessment of Environmental Effects) Regulations 1999 (as amended) require the OGA to exercise its licensing powers under the Petroleum Act in such a way to ensure that an environmental assessment is undertaken and an environmental statement is submitted to and considered by the OGA before consent is given to certain projects.

A range of other specific statutory regimes apply to impose operational rules and conditions on particular aspects, environmental impacts and health and safety risks associated with offshore exploration and production activities. The following legislation and regulations also apply (this list is non-exhaustive):

- Offshore Installations (Offshore Safety Directive) (Safety Case etc.) Regulations 2015;
- Offshore Installations and Wells (Design and Construction etc.) Regulations 1996 as amended;
- Offshore Petroleum Activities (Oil Pollution Prevention and Control) Regulations 2005 (as amended);
- Offshore Chemicals Regulations 2002 (as amended);
- Merchant Shipping (Oil Pollution Preparedness, Response & Co-operation Convention) Regulations 1998 (as amended);
- Offshore Installations (Emergency Pollution Control) Regulations 2002;
- Offshore Combustion Installations Pollution, Prevention and Control 2013;
- Offshore Petroleum Activities (Conservation of Habitats) Regulations 2001 as amended;
- The Ozone Depleting Substances Regulations 2015;
- Energy Act 1976;
- Energy Act 2008 (Consequential Modifications) (Offshore Environmental Protection) Order 2010
- Fluorinated Greenhouse Gases Regulations 2015;
- Greenhouse Gas Emissions Trading Scheme Regulations 2012 (as amended); and
- Marine and Coastal Access Act 2009.

Under these statutes and regulations, an offshore operator may require a permit, consent, licence or registration with respect to discharges into the marine environment and emissions to air, subject to a number of exemptions. These may be subject to conditions that must be met for operations to continue. An operator is also required to have in place oil pollution emergency plans in the event of an offshore oil pollution incident from oil and gas installations. Non-compliance with the requirements of the legislation and/or conditions of a permit, consent or licence may give rise to criminal offences, criminal fines and/or civil monetary penalties. Other enforcement action that can be taken include statutory notices requiring steps to be taken or prohibiting operations.

2.2 Offshore regulatory review

Following the Deepwater Horizon incident in April 2010 in the Gulf of Mexico, the UK House of Commons Energy and Climate Change Committee conducted a parliamentary inquiry into the UK offshore regulatory regime (launched on 20 July 2010). Following this, the OGA (formerly DECC) launched a full review of the UK's oil & gas offshore regulatory regime, which was published on 18 December 2012. The key statements of regulatory significance included that

an independent annual review of selected Environmental Statements and Oil Pollution Emergency Plans will take place, and that there is an increased requirement for operators to carry out offshore oil and gas emergency response exercises involving the Secretary of State's Representative (now every three instead of every five years).

The EU also consulted on a number of proposals for new legislation in this area at EU level in 2011. After a lengthy consultation, the EU published a new directive, the Offshore Safety Directive 2013/30/EU (OSD), on 28 June 2013. The OSD introduces for the first time an EU-wide framework law relating to the environmental and safety management of offshore oil and gas operations in EU waters. It sets common standards and requirements for EU governments to apply in relation to offshore safety and environmental management, and the regulation of offshore activities.

Although the Directive is broadly based on the UK's current offshore safety regime The Offshore Installations (Offshore Safety Directive) (Safety Case etc.) Regulations 2015 were introduced in the UK to fully implement the OSD. The OSDR came in to force on 19 July 2015 and replace the Offshore Installations (Safety Case) Regulations 2005 in external waters subject to transitional arrangements. Significant changes for operators include extensive requirements in relation to reporting of incidents and dangerous occurrences; and requirements to produce a corporate major accident policy including environmental as well as safety matters.

3. TAX REGULATIONS

The following paragraphs are not intended to be exhaustive and are intended as a general guide only. They are based on current UK tax law and HMRC published practice.

3.1 Introduction

Companies engaged in activities relating to petroleum on the UKCS are subject to an oil taxation regime which generally consists of three elements: petroleum revenue tax (which is not relevant to the Company since it only applies to petroleum operations in existence in or before 1993), ring fence corporation tax ("RFCT") and a supplementary charge.

3.2 Ring Fence Corporation Tax

With some modifications (for example, relating to capital allowances and to losses), this is the normal UK corporation tax applicable to UK companies, but it is subject to a "ring-fence". It is charged at a rate of 30 percent rather than the prevailing full rate of corporation tax of 19 percent. This, however, is balanced by 100 percent first year allowances which are available for almost all capital expenditure. The ring-fence prevents taxable profits from oil and gas extraction on the UKCS being reduced by losses from other activities or by excessive interest payments by treating ring-fenced activities as a separate trade. However, losses from a ring-fenced trade can be relieved against profits from a non-ring-fenced trade (as well as against ring-fenced income), as long as, but for the existence of the ring-fence, the non-ring fenced and ring-fenced activities would comprise a single trade.

Interest paid by a company is not deductible against ring-fenced profits unless it is payable in respect of a loan, the proceeds of which were used in carrying on oil extraction activities or in acquiring oil rights other than from a connected person.

The following activities fall within the ring-fence:

- hydrocarbon extraction, namely:
 - searching for hydrocarbons on the UKCS;
 - extracting hydrocarbons at any place on the UKCS under a licence held by the Company; transporting hydrocarbons to land; and
 - affecting the initial treatment or storage; and
- the acquisition, enjoyment or exploitation of rights to hydrocarbons to be extracted at any place in a designated area on the UKCS.

Aggregated capital gains and losses on material disposals (i.e. disposals of interests in oil to be won from a field and/or field assets) are also confined within the ring-fence.

A number of capital allowances may be available to companies engaged in activities relating to petroleum in the UKCS. These may include research and development allowances, enhanced mineral extraction allowances, enhanced plant and machinery allowances and ring fence expenditure supplements.

A “Ring Fence Expenditure Supplement” (“**RFES**”) is available as an annual tax supplement to the value of unused expenditure carried forward from one period to another, to maintain the time value of exploration, appraisal and development costs. The RFES currently increases the value of losses carried forward from one accounting period to the next by a compound of ten percent a year for a maximum of 10 years, not necessarily consecutive.

3.3 **Supplementary Charge**

This is an additional charge on a company’s ring-fence profits (but with no deduction for finance costs). The current rate is ten percent. The charge to supplementary charge may be reduced to zero on a slice of production income by the investment allowance, cluster area allowance or onshore allowance.

PART VIII

CANADIAN REGULATORY ENVIRONMENT

1. OVERVIEW

The Company intends to acquire interests in crude oil and natural gas properties and related assets in the Canadian provinces of Alberta, British Columbia and Saskatchewan. The Company's assets and operations will be regulated by administrative agencies deriving authority from underlying legislation enacted by the applicable level of government. In Alberta, the key regulator of the oil and gas industry is the Alberta Energy Regulator ("**AER**") and in British Columbia it is the Oil and Gas Commission ("**OGC**"). In Saskatchewan, the key regulator is the Saskatchewan Ministry of Energy and Resources ("**SMER**").

Regulated aspects of the upstream crude oil and natural gas business in Western Canada include all manner of activities associated with the exploration for and production of crude oil and natural gas, including, among other matters: (i) leases, licenses and permits for mineral and surface rights; (ii) permits for the drilling of wells and the construction and operation of pipelines and facilities; (iii) well, pipeline and facility technical and operational requirements; (iv) equipment designed performance standards; (v) permitted locations and access to operation sites; (vi) operating standards regarding conservation of produced substances and avoidance of waste, such as restricting flaring and venting; (vii) avoiding or minimising environmental impacts; (viii) transportation, storage, injection and disposal of produced substances and substances associated with production operations; and (ix) the abandonment and closure of impacted sites. In order to conduct crude oil and natural gas operations and remain in good standing with the applicable regulatory scheme, producers must comply with applicable legislation, orders, directives and other directions, all of which are subject to governmental agency oversight, review and revision, from time to time.

2. LAND TENURE

The respective provincial governments predominantly own the mineral rights to crude oil and natural gas located in Western Canada. Provincial governments grant rights to explore for and produce oil and natural gas pursuant to leases, licenses, and permits for varying terms, and on conditions set forth in provincial legislation, including requirements to perform specific work or make payments. Private ownership of oil and natural gas mineral rights also exists in such provinces and rights to explore for and produce such oil and natural gas are granted by leases on such terms and conditions as may be negotiated.

The provinces of Alberta, British Columbia and Saskatchewan have legislation providing for the reversion to the Crown of mineral rights to deep, non-productive geological formations at the conclusion of the primary term of a lease or license. Alberta and British Columbia have expanded their policies of deep rights reversion for some leases to provide for the reversion of both shallow and deep formations that are not shown to be capable of production at the end of the primary term.

3. ROYALTIES AND INCENTIVES

In Western Canada, producers of oil and natural gas are required to pay annual rental payments in respect of Crown leases and royalties and freehold production taxes in respect of oil and natural gas produced from Crown and freehold lands, respectively. The royalty regime is a significant factor in the profitability of oil and natural gas production. Royalties payable on production from lands other than Crown lands are determined by negotiations between the mineral owner and the lessee. Crown royalties are determined by regulation and are generally calculated as a percentage of the value of production, and the royalty rates generally depend in part on prescribed reference prices for oil and gas, well productivity and depth, geographical location, field discovery date and the type or quality of the petroleum products produced.

From time to time, the provincial governments have established incentive programs to encourage oil and gas development and which have included royalty rate reductions, royalty holidays and tax credits. Such programs are generally introduced when commodity prices are low and are designed to encourage exploration and development activity by improving earnings and cash flow within the industry. These programs typically reduce the amount of Crown royalties otherwise payable.

Alberta

In terms of oil or natural gas production from Crown lands, royalties are payable to the Province of Alberta. In respect of freehold lands, royalties are payable to the mineral owner and taxes are payable to the Province of Alberta. Alberta's approach to the royalty and tax regime is regularly reviewed to ensure that Alberta is receiving a fair share from energy development through royalties, taxes and fees.

Alberta's current royalty framework applies to all wells drilled after January 1, 2017. The previous royalty framework continues to apply to wells drilled prior to January 1, 2017 for a period of ten years ending on December 31, 2026. Subject to certain available incentives, royalty rates for conventional oil production under the previous framework range from a base rate of 0 per cent. to a cap of 40 per cent., and for natural gas from a base rate of 5 per cent. to a cap of 36 per cent.. After the expiry of this ten-year period, these older wells will become subject to the current framework.

The current framework applies to all hydrocarbons other than oil sands. Royalties on production under it are determined on a "revenue-minus-costs" basis with the cost component based on a drilling and completion cost allowance formula for each well, depending on its vertical depth and horizontal length. The formula is based on the industry's average drilling and completion costs as determined annually by the AER.

Producers currently pay a flat royalty rate of 5 per cent. of gross revenue from each well that is subject to the current framework until the well reaches payout. Payout is the point at which cumulative gross revenues from the well equals the drilling and completion cost allowance for the well set by the AER. After payout, producers pay an increased post-payout royalty on gross revenues determined by reference to the then current commodity prices of the various hydrocarbons. The post-payout royalty rate varies with commodity prices. Once production in a mature well drops below a threshold level where the rate of production is too low to sustain the full royalty burden, its royalty rate is adjusted downward as the mature well's production declines.

For natural gas, the royalty formula currently provides for a royalty reduction for deep wells and some types of produced gas.

In terms of oil and natural gas production obtained from lands other than Crown lands, taxes are payable to the Province of Alberta. Approximately 19 per cent. of the mineral rights in the Province of Alberta are freehold mineral rights not owned by the Crown. The tax levied in respect of freehold oil and gas production is calculated annually based on a rate dependent on the prescribed tax rate and the quantity and price of the oil or gas produced.

A number of incentive programs exist under the current and previous royalty framework with the intent of promoting exploration and development and expanded production and generating long-term returns to Alberta.

British Columbia

In British Columbia the royalty on the production of crude oil can be up to 40 per cent., and varies based on factors such as the volume of crude oil produced by the well, the density of the crude oil and when the pool was discovered. Royalty rates may be reduced for low-productivity wells and other wells with applicable royalty exemptions to reflect higher per-unit costs of exploration and extraction.

Different royalty rates apply for natural gas, natural gas liquids ("NGLs") and natural gas by-products. For natural gas, the royalty rate can be up to 27 per cent. of the value of the natural gas and depends if the gas is conservation gas or non-conservation gas, as well as reference prices. For NGLs and condensates, the royalty rate is fixed at 20%.

Producers of crude oil and natural gas from freehold lands in British Columbia pay monthly freehold production taxes. The freehold production tax is based on the volume of monthly production, which is either a flat rate, or, beyond a certain production level, is determined using a sliding scale formula based on the production level and, in some cases, the price and type of substances produced.

British Columbia also has a number of targeted incentive royalty programs intended to increase the competitiveness of British Columbia's natural gas wells.

Saskatchewan

In Saskatchewan, the Crown owns approximately 80 per cent. of the crude oil and natural gas rights, with the remainder being freehold lands. For Crown lands, there is a resource surcharge tax of 3 per

cent. of the value of sales of all crude oil and natural gas produced from wells drilled prior to October 1, 2002. For crude oil and natural gas produced from wells drilled after September 30, 2002, the surcharge is 1.7 per cent. of the value of sales. Additionally, a mineral rights acreage tax is charged to mineral rights holders paid on an annual basis at the rate of \$1.50 per acre regardless of whether or not there is production from the lands.

With respect to production obtained from Crown lands, the royalty payable in respect of crude oil depends on when the oil pool was discovered, the type of oil, the quantity produced, and the price of the oil. Where production equals the relevant reference well, there is a minimum Crown royalty rate that ranges from 5 per cent. to 20 per cent. and a maximum rate from 30 per cent. to 45 per cent., depending on the classification of the crude oil, the average wellhead price and subject to applicable deductions.

Similarly, the royalty payable in respect of natural gas in Saskatchewan depends on when the gas reservoir was discovered, the type of gas, the quantity produced in a month and the price of the gas. For both Crown royalty and freehold production tax purposes, natural gas is categorised as either non-associated gas or associated gas, the former being gas produced from gas wells and the latter being gas produced from oil wells. As an incentive for the production and marketing of natural gas which may otherwise have been flared, the royalty rate on associated gas is less than on non-associated natural gas. Similar to crude oil royalties, the royalty on natural gas ranges from 5 per cent. to 20 per cent., and additional marginal royalty rates of between 30 per cent. to 45 per cent. may apply where average wellhead prices are above a set price.

Approximately one-fifth of the mineral rights in Saskatchewan are freehold mineral rights not owned by the Crown. With respect to production from freehold lands, the tax levied on oil and gas production in Saskatchewan depends on the classification of the oil or gas and the relevant Crown royalty rate.

Saskatchewan has a number of royalty incentive programs applicable to various well types depending upon when they were drilled, production volumes and commodity prices, including incentives to promote enhanced oil recovery.

4. LICENSING

Alberta

The AER is the key regulator for oil and gas development in Alberta. The AER is responsible for ensuring the safe, efficient, orderly and environmentally responsible development of hydrocarbon resources, including allocating and conserving water resources, managing public lands, regulating emissions and waste and protecting the environment. The AER has sophisticated regulatory systems for the licensing of wells, pipelines and facilities, and a license is required for all of such activities.

Alberta relies on regional planning to accomplish its responsible resource development goals. Its approach to natural resource management provides for engagement and consultation with stakeholders, Indigenous peoples and the public and examines the cumulative impacts of development on the environment and communities by incorporating the management of all resources, including energy, minerals, land, air, water and biodiversity. While the AER is the primary regulator for energy development, several other governmental departments and agencies may be involved in land use issues, including Alberta Environment and Parks, Alberta Energy, the Aboriginal Consultation Office and the Land Use Secretariat.

British Columbia

In British Columbia, the OGC regulates conventional crude oil and natural gas producers, shale gas producers and other operators of crude oil and natural gas facilities. It requires the proponent of all oil and gas activities, such as drilling a well, to hold a permit or authorization. The OGC has broad powers with respect to compliance and enforcement and the setting of technical, safety and operational standards for crude oil and natural gas activities. It also administers the government's environmental objectives for water, riparian habitats, wildlife and wildlife habitat, old-growth forests and cultural heritage resources. The OGC considers these environmental objectives in deciding to authorize a crude oil or natural gas activity. In addition, it requires proponents to obtain various approvals before undertaking exploration or production work, such as for geophysical exploration and well, test hole and water-source well authorizations. Permits, authorizations and approvals issued by the OGC are given subject to environmental considerations and can be suspended or cancelled for failure to comply with legislation.

Saskatchewan

SMER is the primary regulator of crude oil and natural gas activities in Saskatchewan. A well license must be obtained from SMER before drilling, operating, producing or injecting into an oil and gas well or constructing and operating pipelines and facilities. Although licenses are issued by the SMER, they may be subject to review by the Ministry of Environment and the Ministry of Agriculture.

5. ABANDONMENT AND CLOSURE MANAGEMENT RATING PROGRAMS

The provinces of Alberta, British Columbia and Saskatchewan each have a liability management program in respect to most oil and gas wells and facilities. These programs are designed to assess a licensee's ability to address its suspension, abandonment, remediation and reclamation liabilities. A licensee whose deemed liabilities exceed its deemed assets within the jurisdiction are required to provide a security deposit to the applicable regulator and the licensee's ability to transfer licenses may be restricted.

Each province has also established an orphan fund to help pay the costs to suspend, abandon, remediate and reclaim a well, facility or pipeline if a licensee becomes insolvent or is unable to meet its obligations. Licensees fund the orphan fund through a levy administered by the provincial regulator. Collectively, these programs are designed to minimize the risk to the orphan fund posed by the unfunded liabilities of licensees and to prevent provincial taxpayers from incurring costs to suspend, abandon, remediate and reclaim wells, facilities or pipelines.

Each province has eligibility requirements to hold licenses for wells and facilities, which require the provision of extensive corporate governance and shareholder information. In Alberta, this includes disclosing whether any director and officer was a director or officer of an energy company that has been subject to previous insolvency proceedings. All transfers of well, facility and pipeline licenses in each province are subject to regulator approval.

The AER has also implemented an inactive well compliance program to reduce the inventory of inactive wells in Alberta and to increase the AER's surveillance and compliance. The objective is to bring all inactive noncompliant wells under the program into compliance with the regulatory requirements within five years.

In British Columbia, new regulations brought into force on May 31, 2019, impose timelines for the restoration of dormant oil and natural gas wells. The goal of the regulation is to have all dormant sites abandoned and closed by 2036 with additional regulated timelines for sites that become dormant between 2019 and 2023 and thereafter. A permit holder has varying reporting, decommissioning, remediation and reclamation obligations that depend on the classification of its dormant sites.

6. PRICING AND MARKETING

Crude Oil

Producers of crude oil in Canada can negotiate sales contracts directly with crude oil purchasers. As a result, macro and microeconomic market forces determine the price of crude oil. Worldwide supply and demand factors are the primary determinant of crude oil prices; however, regional market and transportation issues may also influence prices. The specific price depends, in part, on crude oil quality, prices of competing fuels, distance to market, availability of transportation, value of refined products, supply/demand balance and contractual terms of sale.

Natural Gas

Negotiations between buyers and sellers determine the price of natural gas sold in intra-provincial, interprovincial and international trade. The price received by a natural gas producer depends, in part, on the price of competing natural gas supplies and other fuels, natural gas quality, distance to market, availability of transportation, length of contract term, weather conditions, supply/demand balance and other contractual terms. Spot and future prices can also be influenced by supply and demand fundamentals on various trading platforms.

Condensate and Other NGLs

The pricing of condensates and other NGLs such as ethane, butane and propane sold in intra-provincial, interprovincial and international trade is determined by negotiation between buyers and sellers. Such prices depend, in part, on the quality of the NGLs, the price of competing

chemical stock, distance to market, access to downstream transportation, length of contract term, supply/demand balance and other contractual terms.

7. EXPORTS FROM CANADA

Crude oil, natural gas and NGLs exports from Canada are subject to the Canadian Energy Regulator Act which authorizes crude oil, natural gas and NGLs exports from Canada under either short-term orders or long-term licenses. To obtain a crude oil export license, a mandatory public hearing with the Canadian Energy Regulator (“CER”) is required. For natural gas, the maximum duration of an export license is 40 years and, for crude oil and other gas substances (e.g., NGLs), the maximum term is 25 years. In addition to CER approval, all crude oil, natural gas and NGL long-term export licenses require the approval of the cabinet of the Canadian federal government.

Orders from the CER provide a short-term alternative to export licenses and may be issued more expediently as they do not require a public hearing or approval from cabinet. Orders may be issued for up to one or two years depending on the substance, with the exception of natural gas (other than NGLs) for which an order may be issued for up to 20 years for quantities not exceeding 30,000 cubic metres per day.

As to price, exporters are free to negotiate prices and other terms with purchasers, provided that the export contracts continue to meet certain criteria prescribed by the CER and the federal government.

8. TRANSPORTATION CONSTRAINTS AND MARKET ACCESS

Producers negotiate with pipeline operators or other transport providers to transport their products to market on a firm or interruptible basis. Transportation availability is highly variable across different areas and regions. This variability can determine the nature of transportation commitments available, the number of potential customers that can be reached in a cost-effective manner and the price received. Due to production volumes and a lack of new and expanded pipeline and rail infrastructure capacity, producers in Western Canada have from time to time experienced lower commodity pricing relative to other markets in the last several years.

Under the Canadian constitution, interprovincial and international pipelines fall within the federal government’s jurisdiction and require a regulatory review and approval by the federal cabinet. However, recent years have seen a perceived lack of policy and regulatory certainty at a federal level for new or expanded hydrocarbon pipelines with export capacity.

Natural gas prices in Western Canada have also been constrained from time to time due to increasing North American supply, limited access to markets and limited storage capacity. While companies that secure firm access to transport their natural gas production out of Western Canada may be able to access more markets and obtain better pricing, other companies may be forced to accept spot pricing in Western Canada for their natural gas, which in the last several years has generally been depressed. Repairs or upgrades required on existing pipeline systems have also led to further reduced capacity and apportionment of firm access, which in Western Canada may be further exacerbated by natural gas storage limitations.

9. CURTAILMENT

Beginning in January 2019, the AER began curtailing oil production by regulation in an effort to reduce a surplus of oil in storage in Alberta. While production limits have been incrementally increased since the curtailment began, it will remain in effect until December 31, 2020, with the possibility for earlier termination. Curtailment is set at the operator level, with the first 20,000 barrels of oil per day from a given operator exempt from the curtailment. New conventional oil wells drilled after November 8, 2019 are also exempt from production limits.

The curtailment does not currently apply to natural gas production.

10. ENVIRONMENTAL REGULATION AND PROTECTION REQUIREMENTS

The Canadian crude oil and natural gas industry is subject to environmental regulation under a variety of Canadian federal, provincial and municipal regulations, all of which are subject to governmental review and revision from time to time. Such regulations provide for, among other things, restrictions and prohibitions on the spill, release or emission of various substances produced in association with various oil and natural gas industry operations. The regulatory regimes also set out the requirements with respect to oilfield waste handling and storage, habitat protection and the satisfactory operation, maintenance, abandonment and reclamation of well, facility and pipeline sites.

Compliance with such regulations can require significant expenditures and a breach of such requirements may result in suspension or revocation of necessary licenses and authorizations, civil liability and the imposition of material fines and penalties. In addition to these specific regulations, future changes to environmental legislation, including legislation for air pollution and greenhouse gas (“GHG”) emissions, may impose further requirements on operators and other companies in the oil and natural gas industry.

Federal Impact Assessment

Canadian environmental regulation is the responsibility of both the federal and provincial governments. Where there is a direct conflict between federal and provincial environmental legislation in relation to the same matter, the federal law generally prevails. The federal government has primary jurisdiction over federal works, undertakings and federally regulated industries such as railways, aviation and interprovincial transport including interprovincial pipelines.

Canada has legislation requiring certain large oil and gas projects to have their environmental and other impacts assessed before such projects may proceed. The assessment process for applicable major developments has specific legislated timelines at each stage of the formal impact assessment process. The assessment process focuses on: (i) early engagement by proponents to engage all stakeholders, including the public and Indigenous groups, prior to the formal impact assessment process; (ii) potentially increased public participation where the project is subject to a public hearing; (iii) providing analysis of the potential impacts and effects of a project, to support a public-interest approach to decision-making, with cost-benefit determinations and approvals made by the Minister of Environment and Climate Change or the federal cabinet; (iv) analysing further specified factors for projects such as alternatives to the project and social and Indigenous issues in addition to health, environmental and economic impacts; and (v) overseeing a follow-up, monitoring and enforcement process with the involvement of Indigenous peoples and communities.

11. CLIMATE CHANGE REGULATION

Climate change regulation at both the federal and provincial level has the potential to significantly affect the operation of the oil and natural gas industry in Canada.

Federal

Canada has been a signatory to the United Nations Framework Convention on Climate Change (the “**UNFCCC**”) since 1992. Since its inception, the UNFCCC has instigated numerous policies with respect to climate change, some of which have been adopted by Canada.

Following the Paris Agreement and its ratification in Canada, the Government of Canada pledged to cut its emissions by 30 per cent. from 2005 levels by 2030. Further, the Government of Canada released the Pan-Canadian Framework on Clean Growth and Climate Change (the “**Framework**”). The Framework includes a carbon tax presently set at \$30 per tonne, increasing annually until it reaches \$50 per tonne in 2022. This system applies in provinces and territories that request it and in those that do not have a carbon pricing system in place that meets the federal standards. A number of provinces have introduced carbon-pricing systems that meet the federal requirements, including British Columbia. The federal carbon tax took effect in Saskatchewan on April 1, 2019 and in Alberta on January 1, 2020. Alberta, Saskatchewan and Ontario have challenged the constitutionality of the federal government’s carbon tax in court and therefore the future validity of the federal tax is uncertain.

Alberta

Effective January 1, 2020, Alberta brought in the Technology Innovation and Emissions Reduction system (“**TIER**”). TIER targets facilities that emit more than 100,000 tonnes of GHGs and sets emissions reduction obligations according to facility-specific benchmarks, with certain exceptions. Facilities that emit fewer than 100,000 tonnes of GHGs per year may also opt-in to the TIER system.

British Columbia

On August 19, 2016, the Government of British Columbia launched its Climate Leadership Plan, which aims to reduce British Columbia’s net annual emissions by up to 25 million tonnes of GHGs below current forecasts by 2050 and re-commits the province to achieving its target of reducing emissions by 80 per cent. below 2007 levels by 2050.

British Columbia was the first Canadian province to implement a carbon tax, which is currently \$40 per tonne. British Columbia has signaled its intent to raise the carbon tax to \$50 per tonne in 2021.

On January 1, 2016, the Greenhouse Gas Industrial Reporting and Control Act came into effect, which sets emissions limits for large emitting facilities. The Act sets out various performance standards for different industrial sectors and provides for emissions offsets through the purchase of credits or through emission offsetting projects.

Saskatchewan

Saskatchewan's Management and Reduction of Greenhouse Gases Act regulates GHG emissions in the province and was partially proclaimed into force on January 1, 2018. It establishes a framework to reduce GHG emissions by 20 per cent. of 2006 levels by 2020. It also established an output-based emissions management framework where facilities that have annual GHG emissions in excess of 50,000 tonnes are required to meet the emission reduction targets. Licensees of oil facilities that generate more than 50,000 tonnes of GHG per year must propose an emissions reduction plan in accordance with an annual emissions limit with the goal of achieving annual emissions reductions of 40 to 45 per cent. by 2025.

12. ACCOUNTABILITY AND TRANSPARENCY

The federal government's Extractive Sector Transparency Measures Act (the "**ESTMA**") imposes mandatory reporting requirements on certain entities engaged in the "commercial development of oil, gas or minerals", including exploration, extraction and holding permits. All companies subject to ESTMA must report payments over CAD\$100,000 made to any level of a Canadian or foreign government (including indigenous groups), including royalty payments, taxes (other than consumption taxes and personal income taxes), fees, production entitlements, bonuses, dividends (other than ordinary dividends paid to shareholders), infrastructure improvement payments and other prescribed categories of payments.

PART IX

ADDITIONAL INFORMATION

1. RESPONSIBILITY

The Company (whose registered office appears on page 17 of this document) and the Directors, whose names appear on page 17 of this document, accept responsibility, both individually and collectively, for the information contained in this Admission Document, including individual and collective responsibility for compliance with the AIM Rules. To the best of the knowledge and belief of the Company and the Directors (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this Admission Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. INCORPORATION AND GENERAL

- 2.1 The Company was incorporated in England and Wales on 30 March 2017 as a public limited company.
- 2.2 The liability of the Shareholders is limited. The principal legislation under which the Company was formed and under which it now operates is the Companies Act.
- 2.3 The Company's registered office and its principal place of business is at New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG (telephone number 01224 945 980 or, if dialling from outside the United Kingdom +44 (0)1224 945 980).
- 2.4 The Company's web site address is <https://i3.energy>.
- 2.5 The ISIN for the Ordinary Shares is GB00BDHXPJ60.
- 2.6 The Company's auditors are PKF Littlejohn LLP, a firm of chartered accountants registered with the Institute of Chartered Accountants in England and Wales.
- 2.7 The Company is the ultimate holding company of the Group.
- 2.8 On restoration of the Existing Ordinary Shares to trading on AIM, the Company will have the following subsidiaries and other undertakings:

Name (Jurisdiction)	Registered Office	Principal Activity	Issued share capital
i3 Energy North Sea Limited	New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG	Exploration and extraction of petroleum and natural gas	16,500,000 ordinary shares of £0.0001 each and 5,000 deferred shares of £10 each
2273498 Alberta Ltd.	400 3rd Avenue SW, Suite 3700, Calgary, Alberta, T2P 4H2	Exploration and extraction of petroleum and natural gas	100 ordinary shares of CAD\$1.00 each

- 2.9 The Company owns directly 100 per cent. of the issued shares of each of i3 Energy North Sea Limited and 2273498 Alberta Ltd., and can exercise 100 per cent. of the voting rights of both companies.
- 2.10 i3 Energy North Sea Limited and 2273498 Alberta Ltd. are the principal operating subsidiaries of the Group.

3. SHARE CAPITAL

3.1 The capital history of the Company from the date of the Company's incorporation to the date of this document is as follows:

- 3.1.1 On incorporation of the Company, Graham Heath subscribed for one ordinary share of £0.0001 in the capital of the Company (nil paid) (the "**PLC Subscriber Share**"). On 17 July 2017, pursuant to a share for share exchange agreement between the Company, i3 Energy North Sea and the then-holders of the shares in i3 Energy North Sea, the Company issued 16,499,999 Ordinary Shares and 5,000 deferred shares of £10 each, and the PLC Subscriber Share was deemed paid up in full, all in consideration for the Company's acquisition of the entire issued share capital of i3 Energy North Sea.
- 3.1.2 On 18 July 2017, the Company issued 9,190,892 new Ordinary Shares to certain of the then holders of loan notes in the Company by way of part redemption of monies owed.
- 3.1.3 On 25 July 2017, the entire issued share capital of the Company was admitted to trading on AIM.
- 3.1.4 On 30 January 2018, the Company issued 8,563,630 new Ordinary Shares at a subscription price of £0.30 per Ordinary Share, pursuant to a placing of new Ordinary Shares with new and existing Shareholders.
- 3.1.5 On 2 March 2018, the Company issued 1,516,876 new Ordinary Shares at a subscription price of US\$0.3164 per Ordinary Share, pursuant to the conversion by JCAM of US\$500,000 of the loan notes then held by it in the Company.
- 3.1.6 On 21 March 2018, the Company issued 925,926 new Ordinary Shares at a subscription price of £0.38799 per Ordinary Share, pursuant to the conversion by JCAM of US\$500,000 of loan notes held by it in the Company.
- 3.1.7 On 25 May 2018, the Company issued 925,926 new Ordinary Shares at a subscription price of £0.40 per Ordinary Share, pursuant to the conversion by JCAM of US\$500,000 of loan notes then held by it in the Company.
- 3.1.8 On 7 June 2018, the Company issued 1,851,852 new Ordinary Shares at a subscription price of £0.40 per Ordinary Share, pursuant to the conversion by JCAM of US\$1,000,000 of loan notes then held by it in the Company.
- 3.1.9 On 27 July 2018, the Company issued 1,542,336 new Ordinary Shares at a subscription price of £1.05 per Ordinary Share, pursuant to an institutional placing of new Ordinary Shares.
- 3.1.10 On 12 March 2019, the Company issued 11,005,527 new Ordinary Shares at a subscription price of £0.37 per Ordinary Share, pursuant to an institutional placing of new Ordinary Shares.
- 3.1.11 On 1 April 2019, the Company issued 32,237,716 new Ordinary Shares at a subscription price of £0.37 per Ordinary Share, pursuant to an institutional placing of new Ordinary Shares.
- 3.1.12 On 4 April 2019, the Company issued 2,131,538 new Ordinary Shares at a subscription price of £0.37 per Ordinary Share to certain employees/directors of the Company.
- 3.1.13 On 5 April 2019, the Company issued 983,059 new Ordinary Shares at a subscription price of £0.37 per Ordinary Share pursuant to the completion of an open offer made to certain of the Company's shareholders to subscribe for new Ordinary Shares in the Company.
- 3.1.14 On 31 May 2019, the Company issued: (i) 5,405,405 new Ordinary Shares at a subscription price of £0.37 per Ordinary Share to funds managed by Lombard Odier Asset Management (Europe) Limited; and (ii) 653,002 new Ordinary Shares to settle certain arrangement fees payable in respect of the Loan Notes.
- 3.1.15 On 9 December 2019, the Company issued 14,285,715 new Ordinary Shares at a subscription price of £0.35 per Ordinary Share to the Bybrook Funds.

- 3.2 The Company's issued fully paid share capital as at the date of this Admission Document, and as it is expected to be immediately following Admission, is as follows:

	Prior to the Fundraising and Admission		Immediately following the Fundraising and Admission	
	Number	Nominal Value	Number	Nominal Value
Fully paid Ordinary Shares in issue	107,719,400	£10,771.94	688,866,655	£68,886.67
Fully paid Deferred Shares in issue	5,000	£50,000	5,000	£50,000

- 3.3 Save as disclosed in this Part IX:

3.3.1 no share or loan capital in the Company or the Group is under option or is the subject of an agreement, conditional or unconditional, to be put under option;

3.3.2 no share or loan capital of the Company or of the Group has been issued, or is now proposed to be issued, fully or partly paid, either for cash or other consideration to any person;

3.3.3 no person has any preferential subscription rights for any share capital of the Company;

3.3.4 no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital in the Company;

3.3.5 the Company does not hold any of its own Ordinary Shares and none of the Company's subsidiaries hold any of the Ordinary Shares;

3.3.6 the Company has no convertible debt securities, exchangeable debt securities or debt securities with warrants in issue; and

3.3.7 no person has any acquisition rights or obligations over unissued share capital of the Company and there is no undertaking to increase the share capital of the Company.

- 3.4 The Ordinary Shares have been created under the Companies Act.

- 3.5 The Ordinary Shares in issue on Admission will be in registered form and, following Admission, will be capable of being held in uncertificated form. In the case of Ordinary Shares held in uncertificated form, the Articles permit the holding and transfer of Ordinary Shares through CREST. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by written instrument. The Directors have applied for the Ordinary Shares to be admitted to CREST. The records in respect of Ordinary Shares held in uncertificated form will be maintained by the Company's registrar, Link Asset Services (details of whom are set out on page 15 of this document).

- 3.6 No shares of the Company are currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

- 3.7 Save as disclosed in this Part IX, as at Admission, the Company does not have in issue any securities not representing share capital.

- 3.8 There are no issued but not fully paid Ordinary Shares.

- 3.9 None of the Ordinary Shares have been marketed or are being made available to the public in whole or in part in conjunction with the application for Admission.

- 3.10 The Existing Ordinary Shares have previously been admitted to trading on AIM (to the exclusion of all other recognised investment exchanges or other trading facilities). There is no intention for application for such admission to be made to any recognised investment exchange or other trading facilities for dealings in the Ordinary Shares other than the application to be made in connection with Admission.

- 3.11 The Company has the contractual capacity of a natural person and is empowered to borrow, guarantee and give security.

4. WARRANTS

4.1 The Company has granted warrants over 65,483,293 new Ordinary Shares (together, the “Warrants”). The Warrant Instruments entered into by the Company and their key terms are summarised in the table below:

Warrant Instrument	Number of warrants issued	Date of Issue	Exercise Price	Exercise Conditions (save for payment of the Exercise Price)	Lapse Date
Lombard Warrant Instruments					
Series 1	1,638,002	31 May 2019	£0.407	None	31 May 2021
Series 2	1,386,002	31 May 2019	£0.481	None	31 May 2021
Series 3	1,201,200	31 May 2019	£0.555	None	31 May 2021
Loan Note Warrant Instruments					
Series 1	18,018,017	31 May 2019 (amended and restated on 24 June 2020)	£0.0001	None	The earlier of: <ul style="list-style-type: none"> • 31 May 2023; and • two months following the occurrence of a sale (of more than 50 per cent. of the voting rights in the company).
Series 2	15,246,016	31 May 2019 (amended and restated on 24 June 2020)	£0.0001	None	The earlier of: <ul style="list-style-type: none"> • 31 May 2023; and • two months following the occurrence of a sale (of more than 50 per cent. of the voting rights in the company).
Series 3	13,213,213	31 May 2019 (amended and restated on 24 June 2020)	£0.0001	None	The earlier of: <ul style="list-style-type: none"> • 31 May 2023; and • two months following the occurrence of a sale (of more than 50 per cent. of the voting rights in the company).

Warrant Instrument	Number of warrants issued	Date of Issue	Exercise Price	Exercise Conditions (save for payment of the Exercise Price)	Lapse Date
BHGE Warrant Instrument					
BHGE Warrant Instrument	5,277,045	18 September 2019	£0.5685	None	18 September 2021
Work Fee Warrant Instruments					
Bybrook Funds	8,000,000	8 November 2019 (amended and restated on 24 June 2020)	£0.0001	None	The earlier of: <ul style="list-style-type: none"> • 8 November 2023; and • two months following the occurrence of a sale (of more than 50 per cent. of the voting rights in the company).
Loan Noteholders (other than the Bybrook Funds)	1,503,798	6 December 2019 (amended and restated on 24 June 2020)	£0.0001	None	The earlier of: <ul style="list-style-type: none"> • 6 December 2023; and • two months following the occurrence of a sale (of more than 50 per cent. of the voting rights in the company).

4.2 Ordinary Shares issued pursuant to the exercise of the Warrants summarised above shall be issued fully-paid and free from any liens, charges or encumbrances and rights of pre-emption but shall not rank for any dividends or other distributions declared, made or paid on the Ordinary Shares for which the record date is prior to the date on which such warrants are exercised (the “**Exercise Date**”) but, subject thereto, shall rank in full for all dividends and other distributions declared, made or paid on the Ordinary Shares on or after the Exercise Date and otherwise *pari passu* in all respects with the Ordinary Shares in issue at that date.

4.3 At any time when the Ordinary Shares are admitted to trading on AIM, application will be made by the Company to the London Stock Exchange for the Ordinary Shares allotted pursuant to any exercise of Warrants to be admitted to trading on AIM and the Company will promptly apply for such admission so as to be effective simultaneously with the allotment of the relevant Ordinary Shares pursuant to the exercise of the Warrants in accordance with the terms of the Warrant Instrument becoming effective.

4.4 The respective exercise price of the Warrants shall from time to time be adjusted in accordance with the provisions of the respective Warrant Instruments to account for any sub-division or consolidation of the Ordinary Shares or reduction of share capital of the Company or any issue of Ordinary Shares fully paid by way of capitalisation of profits or reserves. Whenever the exercise price is adjusted in accordance with the respective warrant instrument (other than by reason of a consolidation of the share capital of the Company) the number of Ordinary Shares for which a warrant holder is entitled to subscribe shall be increased accordingly at the same time as such adjustment takes effect. Whenever the exercise price is adjusted in accordance with the respective warrant instrument by reason of

a consolidation of share capital, the number of Ordinary Shares for which a warrant holder is entitled to subscribe shall be decreased accordingly at the same time as such adjustment takes effect.

5. ARTICLES OF ASSOCIATION

The Articles provide, amongst other things:

5.1 Voting rights

5.1.1 Subject to any special rights or restrictions as to voting for the time being attached to any shares, at a general meeting of the Company every member who is present in person (including any corporation present by its duly authorised representative) shall on a show of hands have one vote and every member present in person or by proxy shall on a poll have one vote for each share of which he is a holder. The Directors may accept the appointment of a proxy contained in an electronic communication subject to such terms and conditions as the Directors may determine. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

5.1.2 The Deferred Shares shall not confer any right on their holders to receive notice of, speak or vote at a general meeting of the Company.

5.2 Restrictions on voting

Unless the Board determines otherwise, no member is entitled to vote at a general meeting, either in person or by proxy, or to exercise any privilege as a member, or be reckoned in a quorum, in respect of any share held by him unless all calls presently payable by him in respect of that share, whether alone or jointly with any other person, together with interest and expenses (if any) have been paid to the Company.

5.3 Dividends

5.3.1 Subject to the provisions of the Act and of the Articles, the Company may by ordinary resolution declare dividends to be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board and no dividend shall be payable except out of the profits of the Company available for distribution.

5.3.2 Subject to the provisions of the Act, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appear to the Directors to be justified by the profits of the Company available for distribution.

5.3.3 Except as otherwise provided by the rights attached to shares, all dividends:

- (a) shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid;
- (b) shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions on the period in respect of which the dividend is paid, but if any share is issued on terms that it shall rank for dividend as from a particular date, it shall rank for dividend accordingly; and
- (c) may be declared in any currency.

5.3.4 All dividends unclaimed for a period of 12 years after having been declared or become due for payment shall (if the Directors so resolve) be forfeited and shall cease to remain owing by the Company.

5.3.5 The Board may, with the authority of an ordinary resolution of the Company, or in the case of an interim dividend may without the authority of an ordinary resolution, direct that payment of any dividend declared may be satisfied wholly or partly by the

distribution of assets, and in particular of paid up shares or debentures of any other company, or in any one or more of such ways.

5.3.6 The Board may deduct from any dividend or other moneys payable to any person on or in respect of a share, all such sums as may be due to the Company on account of calls or otherwise in relation to the shares of the Company from him.

5.3.7 The Deferred Shares shall not confer any right on their holders to receive a dividend.

5.4 **Return of capital**

On a return of capital, the assets of the Company available for distribution among Shareholders shall be applied:

5.4.1 first, in paying to the holders of the Deferred Shares a sum equal to the nominal amount of each Deferred Share held by them; and

5.4.2 second, the balance of the assets (if any) after all payments to be made in priority shall be distributed amongst the holders of Ordinary Shares according to the number of Ordinary Shares held by the relevant Shareholder at the relevant time.

5.5 **Distribution of assets on a winding up**

If the Company is wound up, the liquidator may, with the authority of a special resolution and any other sanction required by law, divide among the members in specie the whole or any part of the assets of the Company. The liquidator may, with the authority of a special resolution and any other authority required by the law, transfer all or any part of the assets to trustees on such trusts for the benefit of members as the liquidator decides. Where the liquidator divides or transfers any assets in pursuance of the powers in this article, no member shall be required to accept any asset in respect of which there is a liability.

5.6 **Transfers of shares**

5.6.1 Every member may transfer all or any of his shares which are in certificated form by instrument of transfer in writing in any usual form or in any form which is permitted by the Companies Acts and is from time to time approved by the Board. The transferor is deemed to remain the holder of the shares concerned until the name of the transferee is entered in the register of members. Every member may transfer all or any of his or her shares which are in uncertificated form by means of a relevant system in such manner provided for, and subject as provided in, the uncertificated securities rules or in any other manner which is permitted by the Companies Acts and is from time to time approved by the Board.

5.6.2 Unless the Directors otherwise determine, a transfer of shares will not be registered if the transferor or any other person appearing to be interested in the transferor's shares has been duly served with a notice under section 793 of the Act, has failed to supply the information required by such notice within 14 days and the shares in respect of which such notice has been served represent at least 0.25 per cent. of their class, unless the member is not himself in default as regards supplying the information required and proves to the satisfaction of the Directors that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer, or unless such transfer is by way of acceptance of a takeover offer, in consequence of a sale on a recognised stock exchange or a sale to an unconnected party.

5.7 **Variations of rights**

5.7.1 If at any time the share capital of the Company is divided into shares of different classes, any of the rights for the time being attached to any share or class of shares in the Company may be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, with the consent of the holders of not less than three-quarters in nominal value of the issued shares of the class sanctioning the resolution at a general meeting of the holders of shares of the class. The quorum at any such meeting shall be not less than two persons holding or representing by proxy at least one-third of the nominal amount paid up on the issued shares of the class in question and at an adjourned meeting not less than one person holding shares of the class in question or his proxy.

5.7.2 Subject to the terms of issue of or rights attached to any shares, the rights or privileges attached to any class of shares shall be deemed not to be varied or abrogated by the creation or issue of any new shares ranking *pari passu* in all respects.

5.8 **Changes in capital**

Subject to the provisions of the Act, the Company in general meeting may from time to time by ordinary resolution increase its share capital, consolidate and divide all or any of its share capital into shares of a larger amount, cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled and sub-divide all or any of its shares into shares of smaller amount. The Company may also, subject to the provisions of the Act and to any rights for the time being attached to any shares, purchase its own shares and, by special resolution, reduce its share capital or any capital redemption reserve fund or any share premium account in any way.

5.9 **Issues of shares**

5.9.1 Subject to the Act and to any relevant authority of the Company in general meeting required by the Act, the Board may offer, allot (with or without conferring rights of renunciation), grant options over or otherwise deal with or dispose of shares or grant rights to subscribe for or convert any security into shares to such persons, at such times and upon such terms as the Board may decide. No share may be issued at less than nominal value.

5.9.2 Subject to the Act, the Company may at any time pass an ordinary resolution permitting the Directors to generally and unconditionally allot ordinary shares for a period of up to five years from the passing of the ordinary resolution.

5.9.3 Unless disapplied by shareholders in a general meeting, all new share issues will be subject to statutory rights of pre-emption and must first be offered *pro rata* to all existing shareholders.

5.10 **Remuneration of Directors**

5.10.1 The salary or remuneration of any Director appointed to hold any employment or executive office in accordance with the Articles may be either a fixed sum of money, or may altogether or in part be governed by business done or profits made or otherwise determined by the Board, and may be in addition to or in lieu of any fee payable to him for his service as Director in accordance with the Articles, subject to a maximum aggregate of fees payable of £300,000 per year.

5.10.2 If by arrangement with the Board any Director shall perform or render any special duties or services outside his ordinary duties as a Director and not in his capacity as a holder of employment or executive office, he may be paid such reasonable additional remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine.

5.11 **Pensions and gratuities for Directors**

The Board may exercise all the powers of the Company to provide pensions or other retirement or superannuation benefits and to provide death or disability benefits or other allowances or gratuities (whether by insurance or otherwise) for any person who is or has at any time been a Director of the Company or any company which is a holding company or a subsidiary undertaking of or allied to or allocated with the Company or any such holding company or subsidiary undertaking or any predecessor in business of the Company or of any such holding company or subsidiary undertaking, and for any member of his family (including a spouse or former spouse) and any person who is or was dependant on him.

5.12 **Directors' interests in contracts**

Subject to the Act and provided he or she has declared the nature and extent of his or her interest in accordance with the requirements of the Act, a Director who is in any way, whether

directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company may:

- 5.12.1 be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 5.12.2 act by himself or herself or through his or her firm in a professional capacity for the Company (otherwise than as auditor) and he or her, or his or her firm shall be entitled to remuneration for professional services as if he or she were not a Director;
- 5.12.3 be or become a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; or
- 5.12.4 hold any office or place of profit with the Company (except as auditor) in conjunction with his office of Director for such period and upon such terms, including as to remuneration as the Board may decide.

5.13 **Restrictions on Directors' voting**

- 5.13.1 Save as provided in the Articles, a Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Directors or of a committee of the Directors concerning any contract, arrangement, transaction or any other proposal whatsoever to which the Company is or is to be a party and in which he has an interest which is to his knowledge a material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company, unless the resolution concerns any of the following matters:
 - (a) any security, guarantee or indemnity for any money or any liability which the Director, or any other person, has lent or obligations the Director or any other person has undertaken at the request, or for the benefit, of the Company or any of its subsidiary undertakings;
 - (b) any security, guarantee or indemnity to any person for a debt or obligation which is owed by the Company or any of its subsidiary undertakings, to that other person if the Director has taken responsibility for some or all of that debt or obligation;
 - (c) a proposal or contract relating to an offer of any shares or debentures or other securities for subscription or purchase by the Company or any of its subsidiary undertakings, if the Director takes part because he is a holder of shares, debentures or other securities, or if he takes part in the underwriting or sub-underwriting of the offer;
 - (d) any arrangement for the benefit of employees of the Company or any of its subsidiary undertakings which only gives him benefits which are also generally given to employees to whom the arrangement relates;
 - (e) any arrangement involving any other company in the Director (together with any person connected with the Director) has any interest of any kind in that Company (including an interest by holding any position in that company or by being a shareholder of that company);
 - (f) a contract relating to insurance which the Company can buy or renew for the benefit of the Directors or a group of people which includes Directors; or
 - (g) a contract relating to a pension, superannuation or similar scheme or a retirement, death, disability benefits scheme or employees' share scheme which gives the Director benefits which are also generally given to the employees to whom the scheme relates.
- 5.13.2 The Board may authorise, to the fullest extent permitted by law any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company, provided that the Director in question, and any other interested Director, are not counted in the quorum at any board meeting at which such matter is authorised.

5.14 **Number of Directors**

Unless otherwise determined by the Company by ordinary resolution, the number of Directors shall not be less than two but shall not be subject to any maximum number.

5.15 **Directors' appointment and retirement**

5.15.1 Directors may be appointed by the Company by ordinary resolution or by the Board. At each annual general meeting of the Company, any Director then in office: (i) who has been appointed by the Board since the previous annual general meeting; or (ii) for whom it is his third annual general meeting following the annual general meeting at which he was elected or last re-elected shall retire from office but shall be eligible for re-appointment.

5.15.2 If: (i) at the annual general meeting in any year any resolution or resolutions for the appointment or re-appointment of the persons eligible for appointment or re-appointment as Directors are put to the meeting and lost; and (ii) at the end of that meeting the number of Directors is fewer than any minimum number of Directors required, all retiring Directors who stood for re-appointment at that meeting shall be deemed to have been re-appointed as Directors and shall remain in office, but may only act for the purpose of convening general meetings of the Company and perform such duties as are essential to maintain the Company as a going concern, and not for any other purpose.

5.15.3 In addition to any power of removal conferred by the Act, the office of Director shall be vacated if he is requested to resign by all of the other Directors by notice in writing.

5.16 **Borrowing powers**

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets (present and future) and uncalled capital and, to create and issue debenture and other securities and give security either outright or as collateral security for any debt, liability or obligation of the Company or any third party. The Board shall restrict the borrowings of the Company, and exercise all voting or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (but as regards the subsidiary undertakings only so far as by such exercise it can secure) that the aggregate of the amounts borrowed by the Group and remaining outstanding at any time (excluding intra-Group borrowings) shall not without the previous sanction of an ordinary resolution of the Company exceed an amount equal to four times the Adjusted Capital and Reserves.

5.17 **Untraced shareholders**

Subject to the Articles, the Company may sell any shares in the Company registered in the name of a member remaining untraced for 12 years who fails to communicate with the Company following advertisement of an intention to make such a disposal. Until the Company can account to the member, the net proceeds of sale will be available for use in the business of the Company or for investment, in either case at the discretion of the Directors. The proceeds will not carry interest.

5.18 **Meetings**

5.18.1 ***Annual General Meetings***

The Company shall comply with the requirements of the Act regarding the holding of an annual general meeting.

5.18.2 ***General Meetings***

All general meetings other than annual general meetings shall be called general meetings. General meetings may be called whenever the Board thinks fit or when one has been requisitioned in accordance with the Act.

A general meeting is to be called on at least 14 days' notice in writing exclusive of the day on which it is served or deemed to be served and the day on which the meeting is to be held. A general meeting can be called on shorter notice if a majority in number of the members having a right to attend and vote at the general meeting, being a

majority together holding not less than 95 per cent. in nominal value of the shares giving that right, consent. Subject to Section 318(1) of the Act, two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.

5.19 **Rights attaching to Ordinary Shares**

The Ordinary Shares rank *pari passu* in the following respects:

- 5.19.1 they are in all respects identical;
- 5.19.2 they are of the same nominal value and the same amount per Ordinary Share has been paid up;
- 5.19.3 they carry the same rights as to unrestricted transfer, attendance and voting in general meetings and in all other respects; and
- 5.19.4 they are entitled to dividends at the same rate and for the same period so that at the next ensuing distribution to the dividend payable on each Ordinary Share will be the same amount.

All of the Existing Ordinary Shares are fully paid and freely transferable.

5.20 **Summary**

The above is a summary of certain provisions of the Articles, the full provisions of which are available on the Company's website.

5.21 **Annual Report and Financial Statements**

5.21.1 Save as provided in the Articles, a copy of the annual accounts of the Company together with a copy of the auditors' report and the Directors' report and any other documents required to accompany or to be annexed to them shall, not less than 21 clear days before the date of the general meeting at which copies of those documents are to be laid, be sent to every member and to every debenture holder of the Company and to every other person who is entitled to receive notices from the Company of general meetings.

5.21.2 Copies of the documents referred to in the Articles need not be sent:

- (a) to a person who is not entitled to receive notices of general meetings and of whose address the Company is unaware; or
- (b) to more than one of the joint holders of shares or debentures in respect of those shares or debentures,

provided that any member or debenture holder to whom a copy of such documents has not been sent shall be entitled to receive a copy free of charge on application at the registered office of the Company.

5.21.3 The Company may, in accordance with the Act and any regulations made under it, send a strategic report with supplementary information to any of the persons otherwise entitled to be sent copies of the annual accounts and accompanying documents instead of or in addition to those documents and, where it does so, the statement shall be delivered or sent to such person not less than 21 days before the general meeting at which copies of those documents are to be laid.

6. **INCENTIVE SCHEMES**

6.1 **The Existing Share Plans**

6.1.1 **Introduction**

- (a) On 18 July 2017, the Company adopted the Existing Share Plans.
- (b) The principal terms of the Employee Plan are summarised at paragraphs 6.1.2 to 6.1.14 below. The Non-Employee Plan is broadly the same as the Employee Plan and, accordingly, the summary below also applies to the Non-Employee Plan, except where noted.

6.1.2 **Operation of the Existing Share Plans**

Each of the Existing Share Plans is a discretionary share plan which is administered by the Board or a committee appointed by the Board. In practice, decisions in relation to the Existing Share Plans are taken by the Remuneration Committee (in consultation with the Chairman and/or Chief Executive Officer of the Company), and references in this summary to the Board should be read accordingly.

6.1.3 **Eligibility**

- (a) Any employee (including an executive director) of the Company or any of its subsidiaries is eligible to participate in the Employee Plan at the discretion of the Board.
- (b) Awards may be granted under the Non-Employee Plan to persons who are not employees of the Company (or any of its subsidiaries), but who provide services to the Group. This may include the Chairman, the Non-Executive Directors and consultants.

6.1.4 **Grant of Awards**

- (a) Awards under the Share Schemes are granted in the form of options to acquire Ordinary Shares, with an exercise price per Ordinary Share which is not less than the market value of an Ordinary Share at the time the option is granted. The “market value” of an Ordinary Share for these purposes shall be determined by the Board. The Board’s intention is that for awards granted under the Existing Share Plans after the date of Admission, the exercise price shall be the closing price of an Ordinary Share on AIM on the dealing day preceding grant (or the average of those closing prices for up to five dealing days preceding grant).
- (b) Before Ordinary Shares are allotted pursuant to the exercise of any awards, the Board may decide to pay a cash amount equal to the value of the Ordinary Shares that the participant would otherwise have received, less the aggregate exercise price payable (the “gain”). Alternatively, the Board may deliver to the participant for nil or nominal value a number of Ordinary Shares with a value equal to the gain.

6.1.5 **Individual Limit**

- (a) Ordinarily, a participant shall not be granted an award under the Employee Plan in respect of any financial year of the Company over Ordinary Shares with a market value (as determined by the Board) in excess of 100 per cent. of their annual base salary. In exceptional circumstances this limit may be increased to 300 per cent. of annual base salary.
- (b) Similar limits are applied to the Non-Employee Plan, except that references to “annual base salary” are references to the relevant participant’s fees in respect of the relevant financial year, calculated as determined by the Board.

6.1.6 **Overall Limit**

- (a) Awards may be granted over unissued Ordinary Shares or pre-existing Ordinary Shares to be transferred from treasury or purchased in the market. In any ten calendar year period, the number of Ordinary Shares which may be issued under the Existing Share Plans and under any other share plan adopted by the Company may not exceed 15 per cent. of the issued ordinary share capital of the Company from time to time.
- (b) Ordinary Shares transferred or to be transferred from treasury will be treated as newly issued for the purpose of these limits until such time as guidelines published by institutional investor representative bodies determine otherwise.

6.1.7 **Performance Conditions**

- (a) Awards may be subject to the satisfaction of one or more performance conditions, which will determine the proportion (if any) of the award which will vest at the end of a performance period. The Board shall determine the

performance conditions (if any) that apply to an award and the performance period over which any such performance condition shall be assessed.

- (b) A performance condition may be amended or substituted if an event occurs which causes the Board to consider that an amendment/substitution would be appropriate and that amendment or substitution is required so that the performance condition achieves its original purpose.

6.1.8 ***Vesting and Exercise***

- (a) Awards which are subject to performance conditions will normally vest as soon as practicable after the end of the performance period to the extent that the performance conditions have been satisfied. An award which is subject to performance conditions may be divided into tranches, with each tranche subject to a separate performance condition and vesting following satisfaction of that performance condition.
- (b) Awards which are not subject to performance conditions will vest on the date or dates determined by the Board at grant.
- (c) Awards will normally be exercisable from the date of vesting until the tenth anniversary of the grant date. The Board may impose limitations on the periods within which options may be exercised.

6.1.9 ***Malus and Clawback***

- (a) Malus and clawback provisions apply to awards in the event of: (i) a material misstatement of financial results; (ii) an error in assessing any performance condition applying to an award or in the information or assumptions on which the award was granted or vested; (iii) serious misconduct by the participant; or (iv) a serious health and safety failure by any member of the Group.
- (b) At any time up to the date of vesting of an award, the Board may cancel the award or impose further conditions on it if any of the events described above occurs.
- (c) At any time after the date of vesting of an award, but prior to the fifth anniversary of grant, if any of the events described above occurs, the Board may cancel the award or impose further conditions on it (if it has not been exercised) or may require the participant to make a payment to the Company in respect of some or all of the Ordinary Shares acquired (if it has been exercised).

6.1.10 ***Ceasing to provide services to the Group: unvested awards***

- (a) If a participant in the Employee Plan ceases employment by reason of death, ill-health, injury, disability or for any other reason at the Board's discretion (a "**Good Leaver**"), any unvested award he or she holds will usually continue and vest at the normal vesting date. The Board has discretion to vest the award at cessation of employment. If a participant in the Employee Plan ceases employment and is not a Good Leaver, he will be a "**Bad Leaver**" and his award will lapse.
- (b) If a participant in the Non-Employee Plan ceases to provide services to the Group he will be a Bad Leaver, unless the Board decides to treat him as a Good Leaver.
- (c) The extent to which an award held by a Good Leaver vests will be determined by reference to the extent to which any performance condition has been satisfied (as determined by the Board in the event of vesting before the end of the performance period). Unless the Board determines otherwise, the extent to which an award vests will be reduced to take account of the proportion of the vesting period that has elapsed at the date of cessation of employment.

6.1.11 ***Ceasing to provide services to the Group: vested awards***

If a participant ceases to be an employee or to provide services to the Group while holding an award which is vested but which has not been exercised, that award will lapse if he is a Bad Leaver and may be exercised if he is a Good Leaver for a period of six months (12 months in the event of death) beginning with the date of cessation. The Board may permit the exercise of the award in a longer period.

6.1.12 ***Corporate events***

- (a) In the event of a change of control of the Company, unvested awards will vest as soon as practicable, to the extent determined by the Board having regard to the extent to which any performance condition has been satisfied at the date of change of control (as determined by the Board) and/or such other factors as the Board considers appropriate. The Board may also take into account the extent to which the vesting period has elapsed in determining the extent of vesting.
- (b) If other events occur, such as a winding-up of the Company, demerger, delisting, special dividend or other event which, in the opinion of the Board, may affect the current or future value of Ordinary Shares, the Board may determine that awards will vest on the same basis as in the event of a change of control.

6.1.13 ***Adjustment of Awards***

In the event of a variation of the Company's share capital or a demerger, delisting, special dividend, rights issue or other event, which may, in the Board's opinion, affect the current or future value of Ordinary Shares, the number of Ordinary Shares subject to an award and/or the exercise price and/or any performance condition attached to awards, may be adjusted.

6.1.14 ***Amending the Existing Share Plans, termination of the Existing Share Plans and further terms of awards***

- (a) The Board may amend either of the Existing Share Plans at any time, provided that the approval of the Company's Shareholders in a general meeting is required for any amendments to the advantage of participants relating to eligibility, limits, the basis for determining a participant's entitlement to, and the terms of, the Ordinary Shares comprised in an award and the impact of any variation of capital to become effective.
- (b) However, any minor amendment to benefit administration, to take into account legislative changes, or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment may be made by the Board without Shareholder approval.
- (c) In particular, the Board may adopt schedules to the Employee Plan without Shareholder approval to permit the grant of tax qualifying "CSOP" options which satisfy the requirements of Schedule 4 to the Income Tax (Earnings and Pensions) Act 2003 and/or tax qualifying "EMI" options which satisfy the requirements of Schedule 5 to that Act.
- (d) The Existing Share Plans will usually terminate on their tenth anniversary but the rights of existing participants will not be affected by any termination.
- (e) Awards are not transferable (other than on death). No payment is required for the grant of an award. Awards will not form part of pensionable earnings.

6.2 **The Re-priced Options**

6.2.1 As disclosed in the Company's RNS dated 23 June 2020, it is a condition of the amendments that were made to the Loan Note Instrument and the associated Loan Note Warrant Instruments on 24 June 2020 that the outstanding options under the Existing Share Plans are cancelled and replaced with new options (the "**Re-priced Options**") which replicate the terms of the Loan Note Warrant Instruments (as amended) in relation to the exercise price, to seek alignment between Loan Noteholders and the Company's management. Accordingly, it has been agreed that, following the publication of this

document, the Company will proceed to cancel all of the outstanding options under the Existing Share Plans and replace them with 16,157,612 Re-priced Options (save that Linda Beal will not receive any Re-priced Options) i3 intends to reserve 4,097,741 of the Re-priced Options for employees of Toscana who join the Group following completion of the Toscana Acquisition. The Re-priced Options will have an exercise price of £0.0001 and it is anticipated that they will vest as follows:

- (a) a total of 4,223,528 Re-priced Options will vest immediately (equivalent in number to previously vested options granted under the Existing Share Plans);
- (b) 50 per cent. of the unvested Re-priced Options will vest on the earlier of the Company obtaining: (i) £15 million of unsecured or fully subordinated financing; (ii) an appraisal farm-out or funding term sheet for Serenity; and (c) a net acquisition of 2500 boepd; and
- (c) 50 per cent. of the unvested Re-priced Options (or 100 per cent. if 50 per cent. have not yet vested under the bullet above) vest on the earlier of: (i) the Company achieving 5,000 boepd of corporate production; and (ii) 31 October 2021.

6.2.2 Further details of the Re-priced Options will be announced in due course following their issue.

6.3 Awards

6.3.1 As at the date of this document, awards have been granted over 12,109,873 Ordinary Shares under the Existing Plans (equal to approximately 11.24 per cent. of the Existing Ordinary Shares, or 1.76 per cent. of the Enlarged Share Capital). The following awards have been granted to the Directors under the Existing Share Plans:

Recipient	Awards Over Ordinary Shares	Plan
Richard Ames	534,376	Non-Employee Plan
Neill Carson	223,058	Non-Employee Plan
Neill Carson	311,318	Employee Plan
Graham Heath	1,734,282	Employee Plan
Majid Shafiq	2,496,458	Employee Plan
Majid Shafiq	311,318	Non-Employee Plan
Linda Beal	123,058	Non-Employee Plan

6.3.2 The Company has also issued 500,000 EMI options with an exercise price of £0.11 each, which remain outstanding as at the date of this Admission Document.

6.3.3 The Company also intends to make: (i) conditional on Admission, awards over 43,248,832 Ordinary Shares to employees and Directors of the Enlarged Group; and (ii) awards over up to 31,935,420 Ordinary Shares to employees of i3 Canada following completion of the Gain Transaction and, separately, the Toscana Acquisition (together, the “**New Options**”). The New Options will have an exercise price equal to the Issue Price and be granted under the terms of the Existing Share Plans.

6.3.4 The New Options will vest after three years, subject to accelerated vesting on the following performance targets being met:

- (a) *For employees of i3 North Sea (other than the executive Directors and those employees in corporate roles)*
 - One-third on Admission;
 - One-third at spud of the next Serenity / Liberator appraisal well; and
 - 100 per cent. upon a third-party reserve auditor attributing 25 MMbbls 2P post drilling of a Serenity / Liberator appraisal well.
- (b) *For future employees of i3 Canada following completion the Gain Transaction and, separately, the Toscana Acquisition*
 - One-third immediately;
 - One-third if July 2021 production exits at or above 9,000 boepd; and
 - 100 per cent. upon the addition of 5,000 boepd or 25 MMboe 2P reserves.

- (c) *For Directors and those employees of the Enlarged Group in corporate roles*
- One-third on Admission;
 - One-third: (i) on spud of the next Serenity / Liberator appraisal well; or (ii) if July 2021 production exits at or above 9,000 boepd; and
 - 100 per cent. upon: (i) a third-party reserve auditor attributing 25 MMbbls 2P post drilling of a Serenity / Liberator appraisal well; or (ii) the addition of 5,000 boepd or 25 MMboe 2P reserves.

In addition, to incentivise the UK and Canadian offices of the Enlarged Group to work as one team and assist each other as required going forward, if one of the offices satisfies one of the early vesting criteria for the New Options (other than Admission (for employees of i3 North Sea) or on grant of the award (for future employees of i3 Canada)), then the equivalent vesting criteria for the other office shall be deemed 20 per cent satisfied (and a further 6.67 per cent. of the New Options held by employees in the other office would vest immediately).

6.3.5 Of these New Options, it is intended that awards will be made to the following Directors:

Director	Awards Over Ordinary Shares	Plan
Majid Shafiq	11,517,500	Employee Plan
Graham Heath	8,427,847	Employee Plan
Richard Ames	748,800	Non-Employee Plan
Neill Carson	748,800	Non-Employee Plan
Linda Beal	938,827	Non-Employee Plan

7. DIRECTORS' AND OTHER INTERESTS

7.1 The following table lists each Director together with their title, age, date of appointment and date of expiration of current term of office:

Name	Title	Age	Date of appointment	Date of expiration of current term of office
Linda Beal	Non-Executive Chairperson	59	13 September 2019	2023 AGM
Majid Shafiq	Chief Executive Officer	56	18 July 2017	2023 AGM
Graham Heath	Chief Financial Officer	46	30 March 2017	2023 AGM
Neill Carson	Non-Executive Director	61	30 March 2017	2023 AGM
Richard Ames	Non-Executive Director	64	18 July 2017	2023 AGM

7.2 The interests (within the meaning of sections 820-825 of the Act) of each Director and (so far as is known to the Directors having made all reasonable enquiries) persons connected with them, which expression shall be construed in accordance with the AIM Rules, in the issued share capital of Company, excluding any options in respect of such capital (details of which are set out at paragraph 6 of this Part IX):

7.2.1 all of which are beneficial and legal in the issued share capital of the Company as at the Last Practicable Date; and

7.2.2 all of which are beneficial and legal, in the issued share capital of the Company immediately following Admission,

in each case, are as follows:

Names	As at the Last Practicable Date		Immediately following the Fundraising and Admission	
	Ordinary Shares	% of ordinary share capital	Ordinary Shares	% of Enlarged Share Capital
Directors				
Linda Beal	N/A	N/A	N/A	N/A
Majid Shafiq	143,765	0.13	143,765	0.02
Graham Heath	6,816,213	6.33	6,816,213	0.99
Neill Carson	6,712,133	6.23	6,712,133	0.97
Richard Ames	204,575	0.19	204,575	0.03

- 7.3 Save as disclosed in this Admission Document, no Director has any interest in the share capital or loan capital of the Company or any of the subsidiaries of the Company nor does any person connected with the Directors (within the meaning of section 252 of the Act) have any such interests, whether beneficial or non-beneficial.
- 7.4 Save as disclosed in this Admission Document, no Director has any option over or warrant to subscribe for any shares in the Company.
- 7.5 In respect of the Directors, there are no potential conflicts of interest between any duties they have to the Company and their private interests and/or other duties they may have.
- 7.6 No Director or any member of his immediate family nor any person connected with him (within the meaning of section 252 of the Act) has a related financial product (as defined in the AIM Rules for Companies) referenced to Ordinary Shares.

8. MAJOR SHAREHOLDERS

- 8.1 The Company is aware of the following persons who, as at the Last Practicable Date and following Admission, have interests in voting rights over 3 per cent. or more, of the issued share capital or voting rights of the Company:

Names	As at the Last Practicable Date		Immediately following the Fundraising and Admission	
	Ordinary Shares	per cent. of ordinary share capital	Ordinary Shares	per cent. of Enlarged Share Capital
Hargreaves Lansdown	15,063,312	13.98%	15,063,312	2.19%
Bybrook Capital	14,938,717	13.87%	206,438,717	29.97%
Interactive Investor	10,327,524	9.59%	10,327,524	1.50%
Halifax Share Dealing	6,854,288	6.36%	6,854,288	1.00%
Mr Graham A Heath	6,816,213	6.33%	6,816,213	0.99%
Mr Neil A Carson	6,712,133	6.23%	6,712,133	0.97%
Jarvis Investment Mgt	4,120,861	3.83%	4,120,861	0.60%
Bank Hapoalim BM	3,709,678	3.44%	3,709,678	0.54%
A J Bell Securities	3,707,202	3.44%	3,707,202	0.54%
Barclays Wealth	3,567,383	3.31%	3,567,383	0.52%
Premier Miton	–	–	100,000,000	14.52%
Slater Investments Ltd	–	–	82,800,000	12.02%
Lombard Odier	–	–	55,000,000	7.98%

- 8.2 Save as disclosed in paragraph 8.1, as at the Last Practicable Date, so far as the Directors are aware, no person, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.
- 8.3 As at the Last Practicable Date, so far as the Directors are aware, there are no arrangements the operation of which may at a later date result in a change of control of the Company.
- 8.4 None of the Company's major holders of Ordinary Shares listed in paragraph 8.1 has voting rights which are different from other holders of Ordinary Shares.

8.5 There are no loans made or guarantees granted or provided by any member of the Group to or for the benefit of any Director or Senior Manager.

9. ADDITIONAL INFORMATION ON DIRECTORS

9.1 The Directors and Senior Managers hold or have held the following directorships (in addition to the Company) and/or are or have been a partner in the following partnerships within the five years prior to the date of this Admission Document:

Name	Previous directorships/memberships	Current directorships/memberships
Directors		
Linda Beal	Tax Systems Limited Grant Thornton UK LLP Aminex Plc FlowStream Royalties Ltd	Auxilia Limited Global Pricing Innovations Ltd Orca Energy Group Inc San Leon Energy PLC Linda Beal Consulting LLP Kropz plc
Majid Shafiq	Argentil Energy Advisors LLP	i3 Energy North Sea Limited Argentil Capital Partners (UK) Limited 20 Campdale Road RTM Company Limited The Shahida Foundation 2273498 Alberta Ltd.
Graham Heath	N/A	i3 Energy North Sea Limited 2273498 Alberta Ltd.
Neill Carson	i3 Energy North Sea Limited	Carson Resources Limited
Richard Ames	Castine Consulting Company Glorious Orphanage Corporation	Kiawah Island Natural Habitat Conservancy, Inc Centre for Business Ethics and Compliance Castine Historical Society SBT Energy Limited OPB Solutions Limited SLLP 134 Limited OPB Production Limited OPB Manufacturing Limited OPB Operations Limited OPB Limited

9.2 Save as disclosed in this Admission Document, no Director has:

9.2.1 any unspent convictions in relation to indictable offences or convictions (including in relation to fraudulent offences);

9.2.2 had any previous names;

9.2.3 been bankrupt or the subject of an individual voluntary arrangement;

9.2.4 been a director of any company which had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration or company voluntary arrangement, or made any composition or arrangement with its creditors generally or with any class of its creditors while he was a director or within the 12 months after he had ceased to be a director of that company;

9.2.5 been a partner of any partnership which went into compulsory liquidation, administration or partnership voluntary arrangement, while he was a partner or within the 12 months after he ceased to be a partner in that partnership;

- 9.2.6 been the owner of any asset which has been placed in receivership or a partner in any partnership which has been placed in a receivership while he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- 9.2.7 had any public criticism or received any sanction by statutory or regulatory authorities (including recognised professional bodies); or
- 9.2.8 been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

10. DIRECTORS' SERVICE CONTRACTS AND REMUNERATION

The services of the Directors and Senior Managers are provided to the Group under the following agreements:

10.1 Executive Directors

Majid Shafiq

Majid Shafiq became a director of the Company on 18 July 2017 and became Chief Executive Officer on 5 October 2018. Mr Shafiq's service agreement has been effective from 5 October 2018 and shall continue until terminated by either party on 12 months' written notice. Under the terms of the agreement, Mr Shafiq is entitled to an annual salary of £300,000. Mr Shafiq is also entitled to payment of bonuses of such amounts and at such intervals as the Company may in its sole discretion decide. There is a right to place Mr Shafiq on gardening leave during all or any part of his notice period. The service agreement provides for early termination, *inter alia*, in the event of serious or repeated breach by Mr Shafiq of the service agreement. Mr Shafiq's service agreement will also be terminated in the event that he ceases to be a director of the Company.

Graham Heath

Graham Heath became a director of the Company on its incorporation on 30 March 2017 and entered into a service agreement with the Company effective from 1 March 2016. Mr Heath is appointed as Chief Financial Officer. The service agreement shall continue until terminated by the either party on 12 months' written notice. Under the terms of the agreement, Mr Heath is entitled to an annual salary of £230,000. Mr Heath is also entitled to payment of bonuses of such amounts and at such intervals as the Company may in its sole discretion decide. There is a right to place Mr Heath on gardening leave during all or any part of his notice period. The service agreement provides for early termination, *inter alia*, in the event of serious or repeated breach by Mr Heath of the service agreement. Mr Heath's service agreement will also be terminated in the event that he ceases to be a director of the Company.

10.2 Non-Executive Directors

Linda Beal

Linda Beal was appointed as a director of the Company on 13 September 2019 and entered into an appointment letter with the Company with effect from 13 September 2019. Linda Beal is appointed as Non-Executive Chairperson. The appointment letter shall continue until terminated by either party on the giving of one month's prior written notice. The fees payable to Linda Beal (being £60,000 per annum) under the appointment letter are payable in equal quarterly instalments in arrears. The appointment letter provides for early termination, *inter alia*, in the event of a material breach by Linda Beal of her obligations.

Neill Carson

Neill Carson was appointed as a director of the Company on 18 July 2017 and entered into an appointment letter with the Company with effect from 4 October 2018. Mr Carson is appointed as a non executive director. The appointment letter shall continue until terminated by either party on the giving of one month's prior written notice. The fees payable to Mr Carson under the appointment letter (being £50,000 per annum) are payable in equal quarterly instalments in arrears. The appointment letter provides for early termination, *inter alia*, in the event of a material breach by Mr Carson of his obligations. The Company has not granted any benefits on termination of the appointment.

Richard Ames

Richard Ames was appointed as a director of the Company on 30 March 2017 and entered into an appointment letter with the Company with effect from 18 July 2017. Mr Ames is appointed as a non executive director. The appointment letter shall continue until terminated by either party on the giving of one month's prior written notice. The fees payable to Mr Ames under the appointment letter (being £50,000 per annum) are payable in equal quarterly instalments in arrears. The appointment letter provides for early termination, *inter alia*, in the event of a material breach by Mr Ames of his obligations. The Company has not granted any benefits on termination of the appointment.

11. EMPLOYEES

11.1 The Group expects to have 11 employees (including executive directors but excluding non-executive directors) on Admission. The following table shows how many employees are working for each Group company as at Last Practical Date will be working for each Group company as at Admission:

Name of company	Jurisdiction	Number of employees as at Last Practical Date	Number of employees as at Admission
i3 Energy plc	England	0	0
i3 Energy North Sea Limited	Scotland	11	11
2273498 Alberta Ltd.	Canada	0	0

11.2 The average number of employees (including Directors): (i) during the financial year ending 31 December 2017 was 10; (ii) during the financial year ending 31 December 2018 was 10; and (iii) during the financial year ending 31 December 2019 was 12.

12. MATERIAL CONTRACTS

The contracts (not being contracts entered into in the ordinary course of business) as set out in this paragraph 12 have been entered into by members of the Group: (i) within the two years immediately preceding the date of this document which are or may be material to the Group; or (ii) at any time and contain obligations or entitlements which are, or may be, material to the Group, as at the date of this document:

12.1 Placing agreements

12.1.1 A placing agreement dated 11 August 2020 entered into among the Company, the Directors and the Brokers pursuant to which the Brokers have been appointed to use their reasonable endeavours to procure the placing of the Placing Shares. The Brokers' obligations are conditional upon Admission taking place on or before 8 am on 28 August 2020 or such later date or time as the Company and the Brokers may agree, but in any event being no later than 11 September 2020. Subject to the terms and conditions of the Placing Agreement, the Company has agreed to pay (i) to the Nomad, a corporate finance fee of £200,000; (ii) to each of the Brokers, a fixed commission of £142,381; and (iii) to the Brokers in such proportions as i3 shall determine, a fixed commission of £996,671. Under the terms of the Placing Agreement, the Company and the Directors have given certain customary warranties and indemnities to the Brokers in connection with Admission and other matters relating to the Company and its affairs. The Brokers may terminate the Placing Agreement in certain specified circumstances prior to Admission, principally if any of the warranties has ceased to be true and accurate or shall have become misleading. The liability of the Company under the placing agreement is unlimited as to amount and time.

12.1.2 On 12 March 2019, the Company, the Nomad, FirstEnergy Capital LLP and Cannacord Genuity Limited entered into a placing agreement in relation to the placing by the Company of 43,243,243 Ordinary Shares at a price of £0.37 per Ordinary Share. The Company has given certain representations, warranties, undertakings and indemnities to the Nomad, FirstEnergy Capital LLP and Cannacord Genuity Limited and the liability of the Company under the placing agreement is unlimited as to amount and time.

12.2 Subscription Letters

- 12.2.1 Each Subscriber has entered into a Subscription Letter with the Company to subscribe for the Subscription Shares at the Issue Price. The Subscription Letters contain customary certifications and undertakings from the Subscribers as to its identity and level of sophistication. The Subscriber's obligation to subscribe for the Subscription Shares is conditional upon Admission occurring by no later than 28 August 2020. The Subscription Letters are governed by the laws of England and Wales.
- 12.2.2 Each of the Bybrook Funds has entered into a conditional subscription letter with the Company (the "**Conditional Subscription Letters**") to subscribe for up to £942,637 worth (the "**Maximum Subscription Amount**") of new Ordinary Shares at the Issue Price (such shares being the "**Bybrook Further Subscription Shares**"). The Bybrook Funds' respective obligation to subscribe for any of the Bybrook Further Subscription Shares are conditional upon Admission and, to the extent necessary, the prior approval of both the Panel and the Company's shareholders in a general meeting in accordance with the Takeover Code. The Maximum Subscription Amount will be reduced on a pound for pound basis, by (i) any cash amounts subscribed for new Ordinary Shares secured by, or on behalf of, the Company between the date of publication of this Admission Document and 31 October 2020, and/or (ii) an amount equal to any pre-completion downward adjustment to the Net Consideration payable by the Company. As consideration for entering into the Conditional Subscription Letters, the Bybrook Funds shall be entitled to an aggregate fee of £150,000 conditional upon Admission. Such fee shall be settled in full by the issue of 3,000,000 new Ordinary Shares on Admission. Such fee shall be payable regardless of whether all or any part of the Maximum Subscription Amount is subscribed pursuant to the Conditional Subscription Letters. The Conditional Subscription Letters contain customary certifications and undertakings from the relevant subscriber as to its identity and level of sophistication and are governed by the laws of England and Wales.

12.3 Lock-in agreements

The Company has entered into a lock-in agreement with each of the Directors pursuant to which each of the Directors has agreed not to dispose of any of his or her interests in Ordinary Shares prior to the first anniversary of Admission, subject to certain customary exceptions.

The Directors have further agreed with the Company and WH Ireland not to dispose of any of their interests in Ordinary Shares, for a further 12 months, except through the Brokers, so as to maintain an orderly market in the Ordinary Shares.

12.4 Registrar's agreement

- 12.4.1 The Company entered into a registrar's agreement with the Registrar pursuant to which the Company appointed the Registrar to act as its registrar and provide services in relation to such appointment. In consideration of the services to be provided, the Company has agreed to pay the Registrar an annual fee of £6,350.
- 12.4.2 Subject to earlier termination, the registrar's agreement is for a fixed term of 3 years and shall then renew automatically for successive periods of 12 months. Either party may terminate the agreement on or after expiry of the three year term by giving not less than 6 months written notice. Either party may terminate the registrar's agreement at any time in certain circumstances including, *inter alia*, the other party being in material breach of the agreement and such breach remains unremedied for 45 days or undergoing an insolvency event. The Registrar's maximum liability under the registrar's agreement is limited to the lesser of: (i) £500,000; and (ii) five times the annual fee payable to the Registrar. The parties give certain standard indemnities in favour of each other in the registrar's agreement.

12.5 Nominated adviser, broker and PrimaryBid agreements

- 12.5.1 The Company entered into a nominated adviser and broker agreement dated 18 July 2017 with W H Ireland pursuant to which the Company appointed W H Ireland to act as its nominated adviser and broker. The agreement had an initial term of 12 and is

now terminable on 3 months' notice by either party. The Company has agreed to pay W H Ireland a fee of £50,000 per annum.

- 12.5.2 The Company has entered into a broker agreement dated 31 May 2018 with Canaccord Genuity Limited pursuant to which the Company has appointed Canaccord Genuity Limited to act as its broker. The agreement is terminable by either party at any time. The Company has agreed to pay Cannacord Genuity Limited a fee of £40,000 per annum.
- 12.5.3 The Company has entered into a broker agreement dated 18 March 2020 with Mirabaud Securities Limited pursuant to which the Company has appointed Mirabaud Securities Limited to act as its broker. The agreement is terminable on 3 months' notice by either party. The Company has agreed to pay Mirabaud Securities Limited a fee of £60,000 per annum.
- 12.5.4 The Company has entered into an engagement letter with PrimaryBid Limited on 30 July 2020, which sets out the terms on which PrimaryBid will conduct the PrimaryBid Offer. Subject to the terms and conditions of the Placing Agreement, the Company has agreed to pay PrimaryBid an aggregate commission of 4 per cent. of the aggregate value of the Issue Price of the PrimaryBid Shares. Under the terms of the PrimaryBid Engagement Letter, the Company has given certain customary undertakings to PrimaryBid in connection with the PrimaryBid Offer.

12.6 Financing Arrangements

- 12.6.1 On 31 May 2019, i3 Energy North Sea Limited entered into a loan note instrument (the "**Loan Note Instrument**") pursuant to which it issued the Loan Notes. The Loan Note Instrument was subsequently amended on 8 November 2019, 18 November 2019 and 29 June 2020. The Loan Notes have a coupon of 8 per cent. per annum payable quarterly (or 11 per cent. payment-in-kind at i3 Energy North Sea Limited's discretion). The Company has guaranteed the obligations of i3 Energy North Sea Limited under the Loan Notes. The guarantee extends to include consequential losses suffered by each noteholder resulting from: (i) the failure of the i3 Energy North Sea Limited to pay any sum due under the Loan Notes; or (ii) any obligation of i3 Energy North Sea Limited becoming void, voidable or unenforceable for any reason. The obligations of i3 Energy North Sea Limited and the Company in connection with the Loan Notes are secured by way of all asset debentures granted by each member of the UK Group. The Loan Note Instrument contains a number of positive and negative undertakings, and representations which are customary in agreements of this nature. In particular, the Loan Notes:
- (a) prohibit the Company from paying dividends while any of the Loan Notes remain outstanding;
 - (b) shall be repayable in the event that one of the following conditions is not satisfied by 30 September 2020:
 - (i) securing firm irrevocable commitments for a minimum of £15 million of unsecured or fully subordinated financing, subject only to closing mechanics;
 - (ii) agreeing a farm-out and/or funding term sheet, subject only to legal documentation, to fund the drilling of at least one appraisal well on Serenity during 2020 or 2021; or
 - (iii) executing an acquisition agreement for at least 2500 boepd of production net to i3; and
 - (c) shall be repayable in the event that the Group does not achieve net corporate production at or above 5,000 boepd by 30 April 2021.
 - (d) it was a condition of the Loan Notes to have achieved a secondary listing on another stock market by 30 April 2020. This has not happened but the majority Loan Notes holder has waived this requirement such that there cannot be an early repayment of the Loan Note for this reason.

The Gain Transaction, upon completion, will satisfy the above conditions.

Also, in the event of a change of control of the Company, all of the outstanding notes at that time shall become immediately repayable together with any accrued interest.

- 12.6.2 In connection with the Loan Notes, each noteholder was granted one warrant for each £1 of notes issued under 3 instruments (the "**Loan Note Warrant Instruments**"). The key terms of the Loan Note Warrant Instruments are set out in paragraph 4 of this Part IX.

12.7 **Equipment and Services Contract**

The Company awarded Baker Hughes contracts for its 2019 summer drilling program on its Liberator and Serenity assets and its 2020 Phase 1 development of Liberator. Baker Hughes' scope includes directional drilling, drilling fluids, mudlogging, formation evaluation operations and wellheads. In connection with the award, Baker Hughes agreed that £3,000,000 of oilfield service and oilfield equipment contract payments will not become payable until such time as the Company has received its first sales revenues from Liberator Phase 1. As part of the transaction, the Company issued warrants to Baker Hughes up to a notional value of £3,000,000 at an exercise price of £0.5685 per Ordinary Share, totalling up to 5,227,045 warrants if fully issued. The key terms of such warrants are set out in paragraph 4 of this Part IX.

12.8 **UK Petroleum Production Licences and Related Contracts**

12.8.1 ***United Kingdom Seaward Production Licence P.1987 dated 4 April 2013***

On 25 April 2016, i3 Energy North Sea agreed to purchase the United Kingdom Seaward Production Licence P.1987 dated 4 April 2013 to search and bore for and get petroleum in Licence P.1987, Block 13/23d from Dana. The acquisition completed on 28 December 2016. In consideration for the acquisition of the licence, i3 Energy North Sea paid US\$2,100,000 plus the costs incurred by Dana after 1 January 2016. The licence was assigned by Dana to i3 Energy North Sea by virtue of a Deed of Licence Assignment in respect of United Kingdom Petroleum Production Licence P.1987 Block 13/23d between Dana and i3 Energy dated 28 December 2016 and a Deed of Working Interest Assignment between Dana Petroleum (E&P) Limited and i3 Energy North Sea in respect of United Kingdom Petroleum Production Licence P.1987 Block 13/23d dated 28 December 2016. Dana gave certain warranties to i3 Energy North Sea in relation to the Acquisition, including as to its title to the licence and its compliance with the terms of the licence. Dana's liability is capped at the consideration payable by i3 Energy North Sea pursuant to the Acquisition. Subject to its obligations under the licence, i3 Energy North Sea may at any time by giving notice to the Oil and Gas Authority determine the licence or surrender any part of the licensed area.

12.8.2 ***United Kingdom Seaward Production Licence P.2358 dated 20 September 2018 and effective from 1 October 2018***

On 20 September 2018, i3 Energy North Sea was awarded United Kingdom Seaward Production Licence P.2358 (effective from 1 October 2018) to search and bore for and get petroleum in Licence P.2358. Licence P.2358 had an initial term of 2 years. The terms of Licence P.2358 state that the licensee must relinquish a mandatory surrender area comprising 50 per cent. of the P.2358 licensed area in order for Licence P.2358 to continue into its second term. i3 North Sea has applied to the OGA for Licence P.2358 to be continued into the second term and, on 8 July 2020, i3 North Sea received approval from the OGA of the relinquished area. Confirmation was received from the OGA that Licence P.2358 will continue into its second term on 30 September 2020. The end date of the second term is 30 September 2024.

12.8.3 ***Dolphin Drilling Contract***

i3 North Sea has entered into a drilling contact with Dolphin Drilling Limited ("**Dolphin**") to utilise the Borgland Dolphin or Blackford Dolphin semi-submersible drilling rig for a minimum 82-day programme which was due to commence not later than 1 September 2020 or as otherwise agreed between the parties. i3's current

minimum programme for the appraisal drilling consists of two appraisal wells on Serenity plus a sidetrack on each well, contingent on drilling outcomes, at a total expected gross cost of approximately US\$33 million.

The Dolphin drilling contract does not come into force until such time as i3 North Sea has confirmed to Dolphin that it has available funds to satisfy its obligations under the drilling contract.

In concert with the above mentioned drilling contract, i3 has agreed that Dolphin will earn up to a 10 per cent. economic interest (the “**Dolphin Interest**”) in Block 13/23c via a net revenue sharing agreement in exchange for Dolphin forgoing its profit margin above its Opex, up to a maximum amount of US\$14.4 million.

The net sharing agreement does not create any liability on i3 or i3 Energy North Sea until such time as the condition precedent regarding the availability of funds (as referred to above) under the Dolphin drilling contract has been satisfied.

12.9 Gain Transaction Documents

12.9.1 *Asset Purchase and Sale Agreement*

The Company entered into the PSA with Gain on 3 July 2020. The Company assigned its right and interest in the PSA to i3 Canada pursuant to an amendment and novation agreement dated 17 July 2020. The Gain PSA provides that i3 Canada will on 28 August 2020 (or such other date agreed by Gain and the Company) acquire all of the petroleum and infrastructure assets of Gain in consideration for the payment of the sum of CAD\$80,000,000.00 (the “**Gross Consideration**”). It has been agreed that if notice of the General Meeting has been delivered to Shareholders on or before 11 August 2020, Gain shall not be able to terminate the PSA solely for the reason that completion of the Gain Acquisition has not occurred on or before 28 August 2020, unless: (i) Shareholders have not approved the Resolutions at the General Meeting; (ii) the Gross Consideration has not been paid within 5 business days following the date of the General Meeting; or (iii) the General Meeting has not been held on or before 27 August 2020. i3 has paid a deposit of US\$865,000 to Gain in respect of the Gain Assets and such deposit is not refundable in any circumstances. The PSA contains customary representations and warranties of both Gain and i3 Canada. The representations and warranties given by Gain and i3 Canada are subject to materiality and knowledge qualifications. These representations and warranties are made as of the date of the PSA and are deemed repeated on the date of the completion of the Gain Acquisition (the “**Gain Closing Date**”). Any claim for a breach of any representations and warranties in the PSA is subject to a claim period of 6 months following the Gain Closing Date.

The PSA also provides that the obligations of the parties to complete the transactions contemplated by the PSA are subject to the satisfaction of certain conditions precedent, unless waived in whole or in part by i3 Canada. Those conditions include:

- (a) the representations and warranties of Gain shall be true and correct in all material respects as of the date of the PSA and as of the Gain Closing Date, and all covenants of Gain under the PSA that are to be performed or complied with prior to the Gain Closing Date shall have been performed or complied with in all material respects;
- (b) no governmental authority shall have issued an order, decree or ruling or taken any action restraining, enjoining or prohibiting the completion of the Gain Acquisition and no suit, claim, action or proceeding shall be pending before any governmental authority seeking to restrain or prohibit the Gain Acquisition;
- (c) all necessary governmental and regulatory approvals to the sale of the Gain assets required to complete the Gain Acquisition, including Competition Act (Canada) approval, shall have been obtained without conditions;
- (d) certain third party consents to title and operating documents having been obtained;

- (e) no material adverse effect shall have occurred from the date of the PSA to the Gain Closing Date;
- (f) i3 Canada shall have received from each of the British Columbia Oil and Gas Commission and the Alberta Energy Regulator either: (i) pre-approval of the permit transfer applications submitted thereto; (ii) a discretionary waiver from the respective LMR program requirements in respect of the relevant Gain Assets; or (iii) verbal or written assurances that the permit transfer applications will be approved;
- (g) the LMR of the Gain Assets shall not be less than 2.0 on 1 July 2020;
- (h) i3 Canada having obtained and concluded financing arrangements to satisfy its payment obligations on completion of the Gain Acquisition; and
- (i) the Investment Canada Act (Canada) clearance having been obtained.

12.9.2 **Harvard Sale**

i3 Canada entered into an asset purchase and sale agreement with Harvard on 4 August 2020 (the “**Harvard PSA**”). The Harvard PSA provides that Harvard will, immediately on completion of the Gain Acquisition, complete the acquisition of those petroleum and infrastructure assets to be acquired by i3 Canada from Gain which are located in the Canadian Province of Saskatchewan (the “**Harvard Assets**”) in consideration for the payment of the sum of CAD\$45,000,000.00. A good faith deposit of CAD\$2,500,000 has been paid by Harvard into trust with i3 Canada’s legal counsel. This deposit shall be forfeited by Harvard if the Harvard Sale does not complete due to a breach of any representation or warranty of failure to perform any covenant or obligation under the Harvard PSA by Harvard. The Harvard PSA contains customary representations and warranties of both Harvard and i3 Canada. The representations and warranties given by Gain and the Company are subject to materiality and knowledge qualifications in many respects. These representations and warranties are made as of the date of the Harvard PSA and are deemed repeated on the date of the completion of the Harvard Sale (the “**Harvard Closing Date**”). Any claim for a breach of any representations and warranties in the Harvard PSA is subject to a claim period of 6 months following the Harvard Closing Date.

The Harvard PSA also provides that the obligations of the parties to complete the transactions contemplated by the Harvard PSA are subject to the satisfaction of certain conditions precedent, unless waived in whole or in part by Harvard. Those conditions include:

- (a) the representations and warranties of i3 Canada shall be true and correct in all material respects as of the date of the Harvard PSA and as of the Harvard Closing Date, and all covenants of i3 Canada under the Harvard PSA that are to be performed or complied with prior to the Harvard Closing Date shall have been performed or complied with in all material respects;
- (b) the delivery by i3 Canada of all required agreements, certificates, instruments and other documents at the Harvard Closing Date;
- (c) no governmental authority shall have issued an order, decree or ruling or taken any action restraining, enjoining or prohibiting the completion of the Harvard Sale and no suit, claim, action or proceeding shall be pending before any governmental authority seeking to restrain or prohibit the Harvard Sale;
- (d) all necessary governmental and regulatory approvals to the sale of the Harvard Assets required to complete the Harvard Sale shall have been obtained without conditions;
- (e) the acquisition of the Harvard Assets by i3 Canada from Gain pursuant to the PSA shall have been completed on substantially the same terms and conditions set forth in the PSA; and
- (f) no material adverse effect shall have occurred from the date of the Harvard PSA to the Harvard Closing Date.

12.9.3 **Toscana Management Agreement**

i3 Canada and Toscana have entered into a management and administrative services agreement, the commencement of which is conditional on completion of the Gain Transaction. Pursuant to the terms of the Toscana Management Agreement, Toscana will provide all management and administrative services to i3 Canada as are necessary for the proper management and administration of i3 Canada's business and assets, subject always to the supervision and control of the board of directors of i3 Canada.

The term of the Toscana Management Agreement shall be for one year, subject to earlier termination as follows:

- (a) by Toscana, upon 90 days' notice, if the Arrangement Agreement (referred to in paragraph 12.9.2 below) is terminated without the transactions contemplated thereunder having been completed;
- (b) upon the mutual agreement of the parties;
- (c) by notice from either party, if the other party becomes subject to an insolvency event;
- (d) by i3 Canada, upon a minimum of 60 days' notice;
- (e) immediately upon notice from i3 Canada, if Toscana has failed to perform any of its covenants or obligations under the Toscana Management Agreement in any material respect or has committed an act of gross negligence or wilful misconduct in the performance or non-performance of services thereunder; or
- (f) by notice from Toscana if i3 Canada fails to pay any amount when due and such default is not remedied within 60 days of i3 Canada's receipt of such notice.

In consideration for the provision of services under the Toscana Management Agreement, i3 Canada shall pay to Toscana such portion of Toscana's general and administrative costs which are allocated to the operation of i3 Canada's business and assets, plus 25 per cent. of such general and administrative costs. In addition, i3 Canada shall reimburse to Toscana any actual third party costs incurred by Toscana in respect of the operation of i3 Canada's business and assets. The general and administrative costs allocated to the operation of i3 Canada's business and assets, and the service fee, shall be included as line items in an annual budget to be approved by the board of directors of i3 Canada. Any third party costs to be incurred by Toscana in respect of the operation of i3 Canada's business and assets must be approved by the board of directors of i3 Canada, either in the annual budget or through a separate authorisation for expenditure.

Toscana shall not have any liability to i3 Canada in respect of the provision of services under the Toscana Management Agreement, except to the extent of its gross negligence or wilful misconduct.

12.9.4 **Rimbey Area Gas Handling Agreement**

As part of the Gain Transaction, i3 Canada (as "**Producer**") will become a party to an agreement with Keyera Partnership (as "**Operator**") for gas gathering and processing services at the Wilson Creek Pipeline (and corresponding extension and Rimbey Gas Plant (as amended, the "**2016 GHA**"). The 2016 GHA has an initial term of 96 months and thereafter can be terminated by either party providing at least 3 months' prior notice to the other party.

The 2016 GHA provides that the Producer is to deliver its gas to the Operator's facilities, and the Operator is to gather and process such gas for a fee. The Operator's fee for service is comprised of a capital component and flow-through charges. For gas processed at the Rimbey Gas Plant, the capital component of the Operator's fee is to be determined by formula, and will vary as a function of the actual volume of gas delivered by the Producer on each day, as well as the standard capital fee determined annually for the Rimbey Gas Plant by its operating committee. The capital component of the Operator's fee for service on the Wilson Creek Pipeline and Wilson Creek Pipeline Extension are fixed in the contract. In addition, Producer has committed,

subject to certain conditions, to a take or pay quantity on the Wilson Creek Pipeline and Wilson Creek Pipeline Extension. Certain other charges may also be applicable under the 2016 GHA, as detailed therein (e.g., compression fees, incremental capital fees and product marketing fees).

The 2016 GHA contains an initial nomination by the Producer for each month of the contract term of a volume of firm capacity at the Rimbey Gas Plant and of firm capacity on the Wilson Creek Pipeline and Wilson Creek Pipeline Extension. These initial nominations may be reduced under certain circumstances as set forth in the 2016 GHA.

Neither party shall assign the 2016 GHA without the prior written consent of the other party, which consent shall not be unreasonably withheld; provided that it shall be reasonable for a party to withhold its consent due to an assignee's lack or potential lack of financial capability. Notwithstanding the foregoing, the Operator may assign the 2016 GHA to an affiliate or to a person that acquires operatorship of the facilities, or any of them, without the Producer's prior written consent. The Producer shall not sell, assign, convey or otherwise dispose of all or any portion of its interest in the dedicated sources, or any of them, to any person unless it makes a corresponding disposition of its interest in the 2016 GHA to such person; provided that, with certain exceptions, the Producer shall be entitled to make such a disposition of its interest in the 2016 GHA without the Operator's prior written consent.

In the event the Producer defaults in payment of its bills or makes a wrongful assignment, subject to certain rights, the Operator may, without limiting the Operator's other rights pursuant to the 2016 GHA or otherwise held at law or in equity, exercise any of the remedies set forth in the 2016 GHA, including, *inter alia*; (i) enforcement of its operator's lien on substances in the facilities; (ii) discontinuance of service; (iii) set-off; and (iv) taking possession of and selling the Producer's substances.

If the Operator has reasonable grounds for insecurity (based upon an event specific to the Producer and not affecting the oil and gas industry generally) regarding the payment, performance or enforceability of any obligation of the Producer under the 2016 GHA, the Operator may, by written notice, require that the Producer provide security in form and substance acceptable to the Operator, acting reasonably, which may include without limitation a standby irrevocable letter of credit, prepayment, performance bond or guarantee.

12.9.5 **Wapiti Pembina Peace Pipeline Transportation Agreement**

Under the terms of the Gain Transaction, i3 Canada (as "**Counterparty**") will become a party to a letter agreement dated 15 September 2014 with Pembina Pipeline Corporation ("**Pembina**") regarding the transportation service on Pembina's Peace Pipeline System and Pembina's Phase III Pipeline Expansion (the "**Transportation Agreement**").

The Transportation Agreement sets forth the basis on which; (i) the Counterparty shall tender to the pipeline system certain volumes of petroleum for transportation service on the pipeline system; and (ii) the Counterparty facilities will be interconnected to the pipeline system for delivery of Counterparty's petroleum to the pipeline system.

Pembina's toll for service under the Transportation Agreement is comprised of a capital component and flow-through charges. The capital components of such tolls shall be adjusted annually relative to the change in the consumer price index. The Counterparty has agreed to a take-or-pay commitment in respect of such tolls on a portion of the contracted firm capacity at each applicable receipt point.

The service term, subject to early termination, shall begin on the "First Commencement Date" (as defined in the Transportation Agreement and effectively the in-service date of the relevant facilities for the provision of service at the first receipt point) and shall terminate 120 months after the "Second Commencement Date" (as defined in the Transportation Agreement and effectively the in-service date of the pipeline expansion necessary to service the second receipt point), which occurred on or around 30 June 2017.

Neither party shall assign its interest, rights and obligations under the Transportation Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed; provided that, it shall be reasonable for Pembina to withhold its consent in the event that the proposed assignee does not satisfy Pembina's credit requirements. However, either party may unconditionally assign all of its rights and obligations pursuant to the Transportation Agreement to an affiliate upon notice to the other party; provided that, the assignor shall not be released from its obligations.

In the event of a default by the Counterparty under the Transportation Agreement which is not remedied within the applicable cure period, Pembina shall have the right to terminate the Transportation Agreement. Termination of the Transportation Agreement as a result of a Counterparty default will result in an obligation of the Counterparty to pay a termination payment to Pembina reflective of the present value of the outstanding take-or-pay obligation over a portion of the term of the contract (not to exceed the remaining term of the contract).

In the event of a default by Pembina under the Transportation Agreement which is not remedied within the applicable cure period, the Counterparty shall have the right to terminate the Transportation Agreement.

If at any time during the service term Pembina has reasonable grounds for insecurity regarding the payment, performance or enforceability of any obligation of a Counterparty pursuant to the Transportation Agreement, then upon the written request of Pembina, the Counterparty shall provide performance assurance to Pembina in an amount not to exceed two months of the aggregate tolls and charges in respect of the monthly firm volume for all receipt points.

12.9.6 **Trafigura Agreement**

On completion of the Gain Acquisition, i3 Canada will become a party to a contract (in place of Gain) with Trafigura Canada General Partnership (the "**Trafigura**") pursuant to which Trafigura will purchase and accept, and i3 Canada will sell and deliver petroleum products. Under the terms of the contract, i3 Canada will agree to deliver 1,861 m3/month of petroleum products to Trafigura from various producing locations. Petroleum products delivered under the agreement must meet certain quality specifications described for each producing location. Pricing under the agreement is based on average settlement prices for West Texas Intermediate oil as traded during the calendar month on the NYMEX, adjusted for location and quality differential, and less a marketing fee payable to Trafigura. The term of the agreement commenced in September 2005 and is continuing on a month-to-month basis until cancelled by either party with 30 days advance written notice.

12.10 **Toscana Acquisition Documents**

12.10.1 **Option Agreement**

On 29 March 2020, the Company entered into an option agreement to acquire all issued and outstanding common shares of Toscana. The option was exercised by the Company on 23 June 2020.

12.10.2 **Arrangement Agreement**

Following the exercise by the Company of its option to acquire all issued and outstanding common shares of Toscana, the Company and Toscana entered into an arrangement agreement governing the terms on which the Company will directly acquire all issued and outstanding common shares of Toscana.

Under the terms of the Arrangement Agreement to be completed pursuant to a plan of arrangement under the Business Corporations Act (Alberta) (the "**Arrangement**"), Toscana shareholders will receive 0.03031261 Ordinary Shares for each Toscana common share. Based on the current issued and outstanding share capital of Toscana, this will result in the issuance of approximately 4,399,224 Ordinary Shares to the holders of shares in Toscana (with fractional Ordinary Share entitlements being rounded up or down in accordance with the Arrangement). It is a condition of the

Arrangement that such Ordinary Shares be listed and posted for trading on the Toronto Stock Exchange or the TSX Venture Exchange. Subject to the satisfaction of all conditions and the receipt of all required approvals, the Arrangement is expected to close during the third quarter of 2020.

The Arrangement is subject to the approval by two-thirds of the votes cast by holders of shares in Toscana present in person or by proxy at an annual and special shareholders meeting called to consider the Arrangement. All of the directors and officers of Toscana have signed support agreements with the Company pursuant to which they have agreed to vote their shares in Toscana in favour of the Arrangement, subject to the provisions thereof.

In addition to shareholder approval, closing of the Arrangement is also subject to the approval of the Court of Queen's Bench of Alberta, the receipt of applicable regulatory approvals and satisfaction of certain other closing conditions customary in transactions of this nature.

As described in Part I of this Admission Document, i3 has acquired Toscana's senior and junior debt facilities. Paragraphs 12.10.4 to 12.10.8 of this Part IX summarise the terms of the key documentation that was entered into by i3 to effect the acquisition of the Toscana debt.

12.10.3 **Commitment Letter**

On 29 May 2019, Toscana and Firenze Energy Ltd., (collectively the "**Borrowers**"), as borrowers, entered into a certain amended and restated commitment letter (the "**Commitment Letter**") with ATB Financial ("**ATB**"), as lender, which completely amended and restated an original commitment letter entered by the Borrowers and ATB dated 28 January 2019. The Commitment Letter was guaranteed by the direct and indirectly owned subsidiaries of the Borrowers, Firenze Energy Ltd., Toscana Financial Income Trust, Toscana GP Corp., Toscana Business Trust, Toscana International LP, Toscana LP and Cortona Energy Ltd. (collectively the "**Guarantors**").

Pursuant to the terms of the Commitment Letter, ATB granted the Borrowers a revolving credit facility (the "**Facility**") of up to CAD\$25,000,000. The interest payable on the Facility was based on a combination of ATB's prime rate and an interest premium of up to 4 per cent. determined by the Borrowers net debt to trailing cash flow ratio.

The Borrowers and the Guarantors granted security interests to ATB (the "**Security Interests**") by way of a general security agreement from each of the Borrowers over all present and after acquired property and a floating charge ("**Land Charge**") on all lands owned by the Borrowers, subject to certain permitted encumbrances, which was registered in the provinces of Saskatchewan and Alberta.

The Borrowers were subject to regular, full comprehensive reviews by ATB, and the Commitment Letter is payable on demand by ATB.

12.10.4 **Waiver and Amending Agreement**

The Commitment Letter was amended by ATB and the Borrowers on 5 September 2019 (the "**Waiver and Amending Agreement**"). Pursuant to the terms of the Waiver and Amending Agreement, the Borrowers agreed to *inter alia*: (i) provide regular cash-flow projections of the Borrowers operations; (ii) provide written updates as to the strategic alternatives being considered by the Borrowers, including but not limited to, the status of the revenue generated from the Clair Disposal Well (the "**Disposal Well**") and any merger and acquisition activities; (iii) any free cash flow in excess of CAD\$250,000 per quarter will be paid against the outstanding amounts owing by the Borrowers; (iv) limit capital expenditures to 10 per cent. of the monthly budget of the Borrowers; (v) provide an action plan on the operation of the Disposal Well, including expected proceeds, by 15 September 2019; and (vi) initiate a sales process on or before 1 December 2019 to sell all or substantially all of the assets of the Borrowers.

The interest rate on the outstanding amount was also updated to ATB's prime rate plus 2 per cent.

12.10.5 **ATB Assignment Agreement**

The Commitment Letter as supplemented by the Waiver and Amending Agreement including the Security Interest, Land Charge and outstanding amounts owing on the Facility was assigned to the Company by ATB on 27 March 2020 (the "**ATB Assignment**"). Pursuant to the ATB Assignment, the Company agreed to pay ATB a purchase price consisting of: (i) a closing payment on the effective date of the ATB Assignment of CAD\$1,500,000, subject to certain adjustments based on the then amount owing on the Facility, less CAD\$125,000 representing a work fee previously paid by the Company to ATB; and (ii) a further payment of CAD\$1,500,000 of immediately available funds the earlier of the date that the Company receives net proceeds of an equity raise (or series of equity raises) of no less than CAD\$10,000,000 or 31 December 2020.

12.10.6 **Second Amendment to the Credit Facilities**

The Commitment Letter as supplemented by the Waiver and Amending Agreement was further amended on 27 March 2020 by the Borrowers and the Company (now as lender) (the "**i3 Amendment**"). Pursuant to the terms of the i3 Amendment, the Commitment Letter as supplemented by the Waiver and Amending Agreement, was amended to, *inter alia*: (i) replace ATB as the lender with i3; (ii) allow for the Facility to be repaid in whole or in part at any time, subject to the prior written consent of i3 in its sole discretion, without penalty; (iii) enact an interest holiday period from 27 March 2020 to 30 June 2020 whereby no interest was to accrue or be payable by the Borrowers; and (iv) give the Borrowers the option to repay the indebtedness (the "**Indebtedness**"), prior to the Borrowers becoming subsidiaries of the Company in the event: (a) an event of default by the Company occurs and is continuing under the Loan Note Instrument; (b) the Company ceases to hold 100 per cent. of the issued share capital of i3 Energy North Sea Limited; or (c) a person or persons acting in concert acquire directly or indirectly more than 29.9 per cent. of the Company.

The Indebtedness shall be deemed to be paid and satisfied in full upon receipt by the Company of a payment by the Borrowers in an amount equal to: (i) the aggregate amount paid by the Company to ATB Financial to acquire, *inter alia*, ATB's interests in the Commitment Letter as supplemented by the Waiver and Amending Agreement, the Security Interest and the Land Charge on 27 March 2020; and (ii) the aggregate amount paid to Sprott Resource Lending Corp. ("**Sprott**") to acquire, *inter alia*, Sprott's interests in the promissory note (the "**Promissory Note**") dated 28 August 2018 granted by Toscana on 27 March 2020.

The i3 Amendment also caused the Borrowers to enter into blocked account agreements with the Company providing a security interest in the Borrowers bank accounts with ATB.

12.10.7 **Sprott Promissory Note**

Pursuant to the terms of the Promissory Note, TEIC agreed to pay Sprott on 28 August 2020 the sum of CAD\$3,156,381 with interest calculated from the date of the Promissory Note on the daily outstanding balance of such sum and payable on the last day of each calendar quarter (and if such day is not a business day, on the next business day) in arrears (with the first payment being due on 1 October 2018) at the same place, at an annual rate of interest equal to 9.0 per cent. per annum, and interest on overdue interest payable at the same time and place and rate.

TEIC also agreed to pay Sprott the net proceeds of any and all dispositions of assets, provided that the Borrower shall not be required to pay to Sprott any proceeds from the disposition of: (i) inventory sold, leased or disposed of in the ordinary course of business and in accordance with prudent oil & gas industry practice; or (ii) obsolete equipment which is being replaced with equipment of an equivalent value.

The obligations under the Promissory Note was secured by a fixed and floating charge debenture dated 28 August 2018 issued by TEIC to Sprott securing Sprott's interest in all present and after acquired property of TEIC (the "**Sprott Security Interest**"). The Sprott Security Interest was registered in the province of Alberta.

Pursuant to a subordination agreement between TEIC, Sprott and ATB, dated 28 August 2019, Sprott agreed to subordinate its interest in the present and future indebtedness of TEIC under the Promissory Note to ATB.

12.10.8 **Sprott Assignment Agreement**

The Promissory Note was assigned to the Company by Sprott on 27 March 2020 (the “**Sprott Assignment**”). Pursuant to the Sprott Assignment, Sprott agreed to assign all amounts owing by TEIC to Sprott under the Promissory note and the Sprott Security Interest. The Company paid a purchase price of: (i) a closing payment on the effective date of the Sprott Assignment of CAD\$200,000; and (ii) a further payment of CAD\$200,000 of immediately available funds the earlier of the date that the Company receives net proceeds of an equity raise of no less than CAD\$10,000,000 or 31 December 2020.

13. RELATED PARTY TRANSACTIONS

- 13.1 Save as set out in this paragraph 13 of this Part IX, the Company has not entered into any transactions with related parties in the financial year ended 31 December 2019 and the current financial year.
- 13.2 On 24 June 2020, the exercise price of all of the warrants granted to holders of Loan Notes were reduced to £0.0001, being the nominal value of the Company’s shares. These amendments constituted a related party transaction under Rule 13 of the AIM Rules as a result of the Bybrook Funds being a holder of such warrants. In relation to this transaction, Linda Beal was considered to be independent for the purposes of Rule 13 of the AIM Rules and, having consulted with the Nomad, Linda Beal considered the terms of the transaction to be fair and reasonable as far as Shareholders were concerned.
- 13.3 The proposed cancellation of each of the Director’s (other than Linda Beal) options under the Existing Share Plans and their replacement with Re-priced Options (as more particularly described in paragraph 6 of this Part IX) is a related-party transaction for the purposes of Rule 13 of the AIM Rules. In relation to this transaction, Linda Beal was considered to be independent for the purposes of Rule 13 of the AIM Rules and, having consulted with the Nomad, Linda Beal considered the terms of the transaction to be fair and reasonable as far as Shareholders were concerned.
- 13.4 The proposed subscription by the Bybrook Funds for the Subscription Shares constitutes a related-party transaction for the purposes of Rule 13 of the AIM Rules for Companies as a result of the current shareholding position of the Bybrook Funds. The directors of the Company, having consulted with the Nomad, considered the terms of the transaction to be fair and reasonable as far as shareholders were concerned.

14. INVESTMENTS

There are no investments made, being made by the Company or to be made in the future in respect of which firm commitments have been made.

15. PROPERTY

15.1 **Freehold property**

The Company does not own any freehold property.

15.2 **Leasehold property**

The following table provides summary information about the property leased by the Group and any encumbrances or charges on that property:

Property Description	Location	Tenant	Term	Rent
Office Premises	Aberdeen	i3 Energy North Sea Limited	5 years from 10 April 2017	£45,000 (plus VAT) per annum
Office Premises	London	i3 Energy plc	Rolling 3 month term	£3,183 (plus VAT) per month

16. UK TAXATION

16.1 General

- 16.1.1 These comments are intended only as a general guide to the current tax position in the United Kingdom as at the date of this document. The comments assume that the Ordinary Shares are held as an investment and not as an asset of a financial trade and that any dividends paid are not foreign income dividends. If you are in any doubt as to your tax position, or are subject to tax in a jurisdiction other than the United Kingdom, you should consult your professional adviser.
- 16.1.2 The comments are based on UK tax law and understanding of published HM Revenue and Customs (“**HMRC**”) practice at the date of this document, all of which are subject to change, possibly with retrospective effect. The comments are a general guide only and do not apply to certain categories of Shareholder, such as persons owning shares as securities to be realised in the course of a trade, persons owning more than a 10 per cent. stake in the Company, persons who are not resident in the United Kingdom, or are resident but not domiciled in the United Kingdom.
- 16.1.3 Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Ordinary Shares in connection with their employment or as an office holder may be taxed differently and are not considered. Furthermore, the following paragraphs do not apply to potential investors who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or persons with special tax treatment such as pension funds, trustees of discretionary trusts or charities. The following is not intended to be, nor should it be considered to be, legal or tax advice to any particular investor. Accordingly, all potential investors are advised to obtain their own professional advice on the tax implications of acquiring, owning and/or disposing of Ordinary Shares.

16.2 Dividends

- 16.2.1 Dividends received from the Company by a UK tax resident individual shareholder will form part of the Shareholder's total income for income tax purposes and will constitute the top slice of that income. A nil rate of income tax will apply to the first £2,000 of taxable dividend income received by the shareholder in a tax year. Where the dividend income is above the £2,000 dividend allowance, the first £2,000 of the dividend income will be charged at the nil rate and any excess amount will be taxed at the rate that would apply to that amount if the nil rate did not exist. The rates are 7.5 per cent. to the extent that the excess amount falls within the basic rate tax band, 32.5 per cent. to the extent that the excess falls within the higher rate tax band and 38.1 per cent. to the extent that the excess amount falls within the additional rate tax band.
- 16.2.2 UK tax resident corporate Shareholders will not generally be subject to tax on dividends received by the Company as long as the dividends fell within an exemption and certain other conditions are met. Examples of dividends that fall within an exemption are dividends paid on ordinary shares for UK tax purposes which are not redeemable (it is noted that the Ordinary Shares should for these purposes constitute such ordinary shares) as well as dividends paid to a company holding less than 10 per cent. of the issued share capital of the payer.
- 16.2.3 Non-UK tax resident individual Shareholders, other than on the dividends representing the receipts of a trade, profession or vocation carried on in the UK, are taxed on dividends arising from a UK source. The tax liability is however limited to the sum of tax deducted from, or treated as deducted from, “disregarded income” (as defined by statute and which includes dividends from UK resident companies) and the tax liability leaving out the disregarded income and with no personal allowances or double taxation relief taken into account. Where the limitation applies, Shareholders should have no further UK income tax to pay upon their receipt of a dividend from the Company. Shareholders may also be subject to foreign taxation on dividend income under applicable local law.

16.3 Capital Gains

- 16.3.1 A disposal of Ordinary Shares by a Shareholder resident or, in the case of an individual, resident for UK tax purposes in the United Kingdom may, depending on the

Shareholder's circumstances and subject to any available exemptions, allowances or reliefs (such as entrepreneurs relief), give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains.

- 16.3.2 A disposal of Ordinary Shares by a Shareholder who is resident in the United Kingdom for United Kingdom tax purposes or who is not UK tax resident but carries on business in the United Kingdom through a branch, agency or permanent establishment with which their investment in the Company is connected may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains or capital gains, depending on the Shareholder's circumstances and subject to any available exemption or relief.
- 16.3.3 In the absence of any available allowances and reliefs, a gain arising on the disposal of Ordinary Shares by a UK tax resident Individual Shareholder will be taxed at a rate of 10 per cent. except to the extent that the gain (calculated in Sterling), when it is added to the Shareholder's other taxable income in excess of the personal allowance and other gains in the relevant tax year, exceeds the upper limit of the basic rate income tax band (£50,000 for the tax year ending 5 April 2021), in which case it will be taxed at the rate of 20 per cent. The capital gains tax annual exemption (£12,300 for the tax year ending 5 April 2021) may be available to an individual shareholder to offset against chargeable gains realised on the disposal of Ordinary Shares. Please note the receipt of carried interest gains and gains arising on the disposal of UK residential property can be taxed at 18 per cent. and 28 per cent. instead of 10 per cent. and 20 per cent.
- 16.3.4 For a Shareholder which is a UK tax resident company, any gain on the disposal of its Ordinary Shares will be subject to corporation tax (19 per cent. for the tax year ending 31 March 2021) in the absence of any available exemptions and reliefs.
- 16.3.5 Subject to the below, Shareholders who are not resident in the UK for tax purposes will not generally be subject to UK tax on chargeable gains, unless they carry on a trade, profession or vocation in the UK through a branch or agency or (in the case of a company) permanent establishment and the Ordinary Shares disposed of are used or held for the purposes of that branch, agency or permanent establishment.
- 16.3.6 A shareholder who is an individual, who has ceased to be resident for tax purposes in the United Kingdom for a period of less than five years who disposes of Ordinary Shares during that period may be liable to UK taxation on capital gains (in the absence of any available exemptions or reliefs). If applicable, the tax charge will arise in the tax year that the individual returns to the United Kingdom.

16.4 Stamp duty and stamp duty reserve tax

- 16.4.1 No stamp duty or SDRT should be payable on the issue of Ordinary Shares (whether in certificated form outside of CREST or credited in uncertificated form to an account in CREST).
- 16.4.2 On the basis that the Ordinary Shares are admitted to trading on AIM but not listed on that or any other market, subsequent dealings in Ordinary Shares should not be subject to stamp duty or SDRT. Otherwise, transfers of Ordinary Shares for value will generally give rise to a liability to pay UK ad valorem stamp duty or SDRT at a rate of 0.5 per cent. of the amount or value of the consideration (rounded up in the case of stamp duty to the nearest £5). The above statements are intended to be a general guide to the current stamp duty and SDRT position and apply regardless of whether or not a Shareholder is resident in the UK for UK tax purposes.

17. MANDATORY BIDS, SQUEEZE OUT AND SELL-OUT RULES RELATING TO THE ORDINARY SHARES

17.1 Mandatory bid

The Takeover Code applies to the Company. Under the Takeover Code, if an acquisition of Ordinary Shares were to increase the aggregate holding of the acquiror and its concert parties to shares carrying 30 per cent. or more of the voting rights in the Company, the acquiror and, depending on the circumstances, its concert parties, would be required (except with the consent of the Takeover Panel) to make a cash offer for the outstanding shares in the Company

at a price not less than the highest price paid for the Ordinary Shares by the acquiror or its concert parties during the previous 12 months. This requirement would also be triggered by any acquisition of shares by a person holding (together with its concert parties) shares carrying at least 30 but not more than 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the voting rights.

17.2 Squeeze-out

Under the Act, if an offeror were to acquire 90 per cent. of the Ordinary Shares within four months of making its offer, it could then compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding Shareholders. The consideration offered to the Shareholders whose shares are compulsorily acquired under the Act must, in general, be the same as the consideration that was available under the takeover offer.

17.3 Sell-out

The Act also gives minority Shareholders in the Company a right to be bought out in certain circumstances by an offeror who had made a takeover offer. If a takeover offer related to all the Ordinary Shares and at any time before the end of the period within which the offer could be accepted the offeror held or had agreed to acquire not less than 90 per cent. of the Ordinary Shares, any holder of shares to which the offer relates who has not accepted the offer can by a written communication to the offeror require it to acquire those shares. The offeror would be required to give any Shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a Shareholder exercises its rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

18. WORKING CAPITAL

The Directors are of the opinion that, after having made due and careful enquiry, the working capital available to the Company and the Group will be sufficient for its present requirements, that is for at least the next twelve months from the date of Admission.

19. LITIGATION

No member of the Group is or has been involved in any governmental, legal or arbitration proceedings and the Company is not aware of any such proceedings pending or threatened by or against the Group during the 12 months preceding the date of this Admission Document which may have or have had in the recent past a significant effect on the financial position or profitability of the Enlarged Group.

20. NO SIGNIFICANT CHANGE STATEMENT

Save as set out in this Admission Document, there has been no significant change in the trading or financial position of the Group since 31 December 2019, the date to which the last audited accounts of the Group were prepared.

21. GENERAL

- 21.1 The total costs and expenses of, or incidental to, the Fundraising and Admission, all of which are payable by the Company, are estimated to be approximately £2.3 million (exclusive of value added tax). The expected net proceeds of the Fundraising, after deductions of such costs and expenses not already paid, are £26.6 million.
- 21.2 The Accountant's Report in Part V of this Admission Document is included, in the form and context in which it is included, with the consent of PKF Littlejohn LLP, which has authorised the contents of its report for the purposes of the AIM Rules. PKF Littlejohn LLP has also given and not withdrawn its written consent to the inclusion of references in this Admission Document to its name in the form and context in which they appear.
- 21.3 W H Ireland Limited has given and not withdrawn its written consent to the inclusion in this Admission Document of references to its name in the form and context in which they appear.

- 21.4 The Competent Person's Report in respect of the UK Assets is included, in the form and context in which it is included, with the consent of TRACS, which has authorised the contents of its reports for the purposes of the AIM Rules. TRACS has also given and not withdrawn its written consent to the inclusion of references in this document to its name in the form and context in which they appear.
- 21.5 The Competent Person's Report in respect of the Gain Assets is included, in the form and context in which it is included, with the consent of GLJ, which has authorised the contents of its reports for the purposes of the AIM Rules. GLJ has also given and not withdrawn its written consent to the inclusion of references in this document to its name in the form and context in which they appear.
- 21.6 Cannacord Genuity Limited has given and not withdrawn its written consent to the inclusion in this Admission Document of references to its name in the form and context in which they appear.
- 21.7 Mirabaud Securities Limited has given and not withdrawn its written consent to the inclusion in this Admission Document of references to its name in the form and context in which they appear.
- 21.8 The accounting reference date of the Company is 31 December.
- 21.9 It is expected that definitive share certificates will be despatched by hand or first class post by 11 September 2020. In respect of uncertificated shares, it is expected that Shareholders' CREST stock accounts will be credited on 28 August 2020.
- 21.10 The Directors are unaware of any exceptional factors which have influenced the Group's recent activities.
- 21.11 Save as disclosed in this Admission Document, no person (other than the Company's professional advisers) named in this Admission Document and trade suppliers has at any time within the 12 months preceding the date of this Admission Document received, directly or indirectly, from the Company or any other member of the Group or entered into any contractual arrangements to receive, directly or indirectly, from the Company or any other member of the Group on or after Admission any fees, securities in the Company or any other benefit to the value of £10,000 or more.
- 21.12 The Issue Price of 5 pence represents a premium of 49,900 per cent. above the nominal value of £0.0001 per Ordinary Share. The Issue Price is payable in full on application. Neither the Placing nor the Subscription is being underwritten.
- 21.13 Where information has been sourced from a third party, the information has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render such information inaccurate or misleading.
- 21.14 So far as the Directors are aware, there are no environmental issues that may affect the Group's utilisation of its tangible fixed assets.
- 21.15 Save as disclosed in this Admission Document, the Directors are not aware of any patents or other intellectual property rights, licences, particular contracts or new manufacturing processes and on which may be of material importance to the Group's business or profitability.
- 21.16 Save in connection with the application for Admission, none of the Ordinary Shares has been admitted to dealings on any recognised investment exchange and no application for such admission has been made and it is not intended to make any other arrangements for dealings in the Ordinary Shares on any such exchange.
- 21.17 There are no provisions in the Articles which would have the effect of delaying, deferring or preventing a change of control of the Company.
- 21.18 Save as disclosed in this Admission Document, the Directors are unaware of:
- 21.18.1 any significant trends in production, sales and inventory and costs and selling prices since 31 December 2019 (being the date to which the last audited accounts of the Group were prepared) to the date of this Admission Document; and

21.18.2 any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group's prospects for at least the current financial year.

21.19 The auditors of the Company who audited the Company's accounts for the years ended 31 December 2017, 2018 and 2019 are PKF Littlejohn LLP.

21.20 There has been no public takeover bid for the whole or any part of the share capital of the Company or any member of its Group prior to the date of this document.

21.21 The Articles contain no restriction on the objects of the Company.

22. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during usual business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices of the Company at 2 Riding House Street, London, W1W 7FA for a period of 1 month from the date of this document:

22.1 the Articles adopted on 17 July 2017;

22.2 the irrevocable undertakings referred to in paragraph 28 of Part I of this Admission Document; and

22.3 the latest annual report and accounts of the Company.

23. COPIES OF THIS DOCUMENT

A copy of this document will be available on the Company's website at <https://i3.energy>.

Dated: 11 August 2020

PART X

NOTICE OF GENERAL MEETING

i3 ENERGY PLC

(Incorporated and registered in England and Wales under the Companies Act 2006 with registered number 10699593)

VOTING ARRANGEMENTS

Given the UK Government's current guidance on social distancing and prohibition on non-essential travel and public gatherings, we have had to take a number of precautions in relation to the format of this General Meeting:

- In light of the current situation, and in accordance with the current UK Government guidance, it will not be possible for all Shareholders to attend the General Meeting in person.*
- We expect only the Chairman and a very limited number of directors, who are required to be at our office for necessary work purposes, to be in attendance at the General Meeting to ensure a quorum and to conduct the business of the meeting.*
- No other directors or members of senior management will attend and social distancing measures will be in place in order to comply with current requirements.*

UNDER THE UK GOVERNMENT'S CURRENT PROHIBITION ON NON-ESSENTIAL TRAVEL AND PUBLIC GATHERINGS, IT WILL NOT BE POSSIBLE FOR ALL SHAREHOLDERS TO ATTEND THE GENERAL MEETING IN PERSON. WE THEREFORE STRONGLY ENCOURAGE SHAREHOLDERS TO VOTE ON ALL RESOLUTIONS BY COMPLETING AN ONLINE PROXY APPOINTMENT FORM APPOINTING THE CHAIRMAN OF THE MEETING AS YOUR PROXY, TO REGISTER ANY QUESTIONS IN ADVANCE AND NOT TO ATTEND THE MEETING IN PERSON.

Details of how to appoint the Chairman of the meeting as proxy are set out below.

Shareholders are encouraged to submit their voting instructions as soon as possible, even if they might intend to attend the General Meeting in person should the Coronavirus (COVID-19) situation and the UK Government's guidance change so as to permit this. See below for details with regard to voting instructions.

Shareholders can submit questions to the Board in advance of the General Meeting by emailing such questions to i3energy@camarco.co.uk by no later than 1:00 pm. (BST) on 25 August 2020. The Board will consider all questions received and provide a written response.

The health and well-being of our shareholders and colleagues remains our priority and the steps set out above are necessary and appropriate ones given the current pandemic.

You will not receive a form of proxy for the General Meeting with this Notice. Instead, if you would like to vote on the resolutions, you may appoint a proxy via www.signalshares.com by following the instructions on that website or, if you hold your shares in CREST, via the CREST system. Notice of your appointment of a proxy should reach the Company's Registrar, Link Asset Services, by no later than 1:00 pm. (BST) on 25 August 2020.

You may request a hard copy form of proxy directly from the Company's Registrar, Link Asset Services, by calling 0871 664 0391. Calls cost 12p per minute plus your phone company's access charges. If you are outside the United Kingdom, please call +44 (0)371 664 0391. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am. – 5.30 pm. (BST), Monday to Friday, excluding public holidays in England and Wales.

If you hold your shares through a nominee service, please contact the nominee service provider regarding the process for appointing a proxy.

NOTICE

NOTICE IS HEREBY GIVEN THAT a general meeting (the “General Meeting”) of i3 Energy plc (the “Company”) will be held at the offices of the Company at 2 Riding House Street, London, W1W 7FA at 1:00 pm. (BST) on 27 August 2020 to consider and, if thought fit, pass the following resolutions of which resolutions 1 and 2 will be proposed as ordinary resolutions of the Company and resolutions 3 and 4 will be proposed as special resolutions of the Company:

ORDINARY RESOLUTIONS

1. THAT the acquisition by the Company of certain oil and gas assets held by Gain Energy Ltd., on the terms and subject to the conditions set out in this Admission Document (the “**Transaction**”) be and is hereby approved for all purposes, including, without limitation, for the purposes of Rule 14 of the AIM Rules for Companies published by the London Stock Exchange plc and that the directors of the Company (the “**Directors**”) be and are hereby authorised to take all steps necessary or, in the opinion of the Directors, desirable, to give effect to the Transaction, including without limitation, waiving, amending, varying or extending any of the conditions and terms of the Transaction;
 2. THAT conditional on the passing of resolution 1:
 - 2.1 the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006, in addition to all existing authorities, to exercise all the powers of the Company to allot ordinary shares in the Company (“**Ordinary Shares**”) or grant rights to subscribe for, or convert any security into Ordinary Shares up to an aggregate nominal value of £69,134.19, such authority to expire after the period of 12 months after the passing of this resolution, except that the Company may before such expiry make an agreement which would or might require equity securities to be allotted after such expiry (or any revocation or replacement of such authority) and the Directors may allot equity securities pursuant to such agreement as if the authority in question had not expired (or been replaced or revoked);
 - 2.2 (i) in substitution for the authority granted under section 551 of the Companies Act 2006 at the annual general meeting of the Company on 30 June 2020; and (ii) in addition to the authority granted by sub-paragraph 2.1 above, the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006:
 - 2.2.1 to exercise all the powers of the Company to allot Ordinary Shares and to make offers or agreements to allot Ordinary Shares or grant rights to subscribe for or to convert any security into Ordinary Shares up to an aggregate nominal amount of £22,962.22;
 - 2.2.2 to exercise all the powers of the Company to allot equity securities (within the meaning of section 560 of the Companies Act 2006) up to an additional aggregate nominal amount of £45,924.44 provided that this authority may only be used in connection with a rights issue in favour of holders of Ordinary Shares and other persons entitled to participate therein where the equity securities respectively attributable to the interests of all those persons at such record dates as the Directors may determine are proportionate (as nearly as may be practicable) to the respective numbers of equity securities held or deemed to be held by them or are otherwise allotted in accordance with the rights attaching to such equity securities subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal difficulties under the laws of any territory or the requirements of a regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter whatsoever,
- provided that the authorities in this sub-paragraph 2.2 shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or, if earlier, on the date which is 12 months from the date this resolution is passed, except that the Company may before such expiry make an offer or agreement which would or might require equity securities as the case may be to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the authority in question had not expired.

SPECIAL RESOLUTIONS

3. THAT, conditional on the passing of resolution 2:
 - 3.1 the Directors be generally and unconditionally authorised pursuant to sections 570 and 573 of the Companies Act 2006 to make allotments of equity securities (within the meaning of section 560 of the Companies Act 2006) for cash pursuant to the authority conferred by sub-paragraph 2.1 as if section 561 of the Companies Act 2006 did not apply to any such allotment, such authority to expire after the period of 12 months after the passing of this resolution, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry date and the Directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the power conferred by this resolution had expired;
 - 3.2 in substitution for the authority granted under section 570 of the Act at the annual general meeting of the Company on 30 June 2020, the Directors be and are generally and unconditionally authorised pursuant to sections 570 and 573 of the Act to make allotments of equity securities (within the meaning of section 560 of the Companies Act 2006) for cash pursuant to the authority conferred by sub-paragraph 2.2 above as if section 561 of the Companies Act 2006 did not apply to any such allotment provided that such power shall be limited to:
 - 3.2.1 the allotment of equity securities in connection with or pursuant to any issue or offer by way of rights or other pre-emptive offer to the holders of Ordinary Shares and other persons entitled to participate therein in proportion (as nearly as practicable) where the equity securities respectively attributable to the interest of holders of the Ordinary Shares are proportionate as nearly as may be practicable to the respective amounts of Ordinary Shares held by them on a fixed record date, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to legal or practical issues under the laws of, or as a requirement of, any regulatory or stock exchange authority in any jurisdiction or territory or in relation to fractional entitlements; and/or
 - 3.2.2 the allotment (otherwise pursuant to sub-paragraph 3.2.1 above) of equity securities up to an aggregate nominal value of £22,962.22 (being approximately one-third of the Enlarged Share Capital (as defined in the Admission Document),

such authority to expire at the conclusion of the Company's next annual general meeting or, if earlier, 12 months from the date this resolution is passed, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry date and the Directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the power conferred by this resolution had expired.
4. THAT, conditional on the passing of Resolution 1, the Company be generally and unconditionally authorised for the purpose of Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of Ordinary Shares, on such terms and in such manner as the Directors may from time to time determine provided that:
 - 4.1 the maximum number of Ordinary Shares which may be purchased is 103,329,998;
 - 4.2 the minimum price, exclusive of any expenses, which may be paid for each Ordinary Share is £0.0001, being the nominal value of Ordinary Shares;
 - 4.3 the maximum price, exclusive of any expenses, which may be paid for each Ordinary Share is an amount equal to the higher of:
 - 4.3.1 105 per cent. of the average market value of an Ordinary Share, as derived from the London Stock Exchange Daily Official List for the five business days prior to the day on which the purchase is made; and
 - 4.3.2 an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share unless previously revoked, renewed, extended or varied.

The authority hereby conferred shall expire on the date of the next annual general meeting of the Company but provided that the Company may, before such expiry, enter into a contract or contracts to purchase shares which will or may be executed wholly or partly after the expiry of such authority and the Company may make a purchase of shares under such contract or contracts as if the authority had not expired.

By order of the Board

Majid Shafiq

Chief Executive Officer, on behalf of i3 Energy plc

Registered office: New Kings Court Tollgate, Chandler's Ford, Eastleigh, Hampshire, United Kingdom, SO53 3LG

Dated: 11 August 2020

IMPORTANT NOTES

Notes:

The following notes explain your general rights as a member of the Company and your right to attend and vote at the General Meeting or appoint someone else on your behalf. As is stated earlier, the General Meeting will be run as a closed meeting as a result of current UK Government restrictions on non-essential travel and public gatherings resulting from the Coronavirus (COVID-19) pandemic. Accordingly, in the absence of a change in UK Government restrictions and a decision by the Board, it will not be possible for members of the Company to attend the General Meeting in person. The following notes should be read in that context. Members of the Company are therefore strongly encouraged to vote on all of the Resolutions by completing an online proxy appointment form appointing the Chairman of the General Meeting as their proxy.

1. The Resolutions are subject to the approval of the shareholders (being the holders of Ordinary Shares).
2. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members holding Ordinary Shares in the capital of the Company and registered on the Company's register of members by close of business on 25 August 2020 (London time) (or, if the General Meeting is adjourned, at close of business on the day which is two days before the date of the adjourned General Meeting) shall be entitled to attend and vote at the General Meeting.
3. If you are a member of the Company at the time set out in note 2 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting and you should have received a form of proxy with this document. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. If you do not have a form of proxy and believe that you should have one, or if you require additional forms, please contact the Company's registrars using the contact details set out at note 14 below.
4. A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. Details of how to appoint the Chairman of the General Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
5. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company's registrars using the contact details set out at note 14 below.
6. To direct your proxy on how to vote on the Resolutions, please mark the appropriate box with an "X". To abstain from voting, select the relevant "Vote Withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in calculation of votes for or against the relevant Resolution. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.

7. The notes to the proxy form explain how to direct your proxy how to vote on each Resolution or withhold their vote. If you return more than one proxy appointment, either by paper or electronic communication, the proxy appointment received last by the Company's registrars before the latest time for receipt of proxies will take precedence.
8. To appoint a proxy using the proxy form, the form must be:
 - 8.1 completed and signed;
 - 8.2 sent to Link Asset Services, PXS1 34 Beckenham Road, Beckenham Kent, BR3 4ZF or hand delivered to Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. Shareholders can request a hard copy form of proxy by contacting our registrars, Link Asset Services on 0371 664 0391 if calling from the United Kingdom, or +44(0)371 664 0391 if calling from outside the United Kingdom. Calls are charged at the standard geographical rate and will vary by provider. Calls outside of the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales;
 - 8.3 received no later than 1:00 pm. on 25 August 2020 or 48 hours before the time fixed for any adjourned meeting at which the proxy is to vote.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

9. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
10. The return of a completed form of proxy (in hard copy form or by electronic means), other such instrument or any CREST Proxy Instruction (as described in note 12 below) will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so.
11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting (and any adjournment of the General Meeting) by using the procedures described in the CREST Manual (available from <https://euroclear.com/site/public/EUI>). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
12. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuers' agent Link Asset Services ID RA10 by 1:00 p.m. on 25 August 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuers' agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
13. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system

providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

14. Members who have general queries about the General Meeting should do so by calling Link Asset Services on 0871 664 0391 (or, if calling from outside the UK, on +44 (0) 371 664 0391). Calls cost 12p per minute plus your phone company's access charge. Calls from outside the United Kingdom will be charged at the applicable international rate. We are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide investment advice, nor advise you on how to cast your vote on the Resolutions.
15. If a corporation is a member of the Company, it may by resolution of its directors or other governing body authorise one or more persons to act as its representative or representatives at the General Meeting and any such representative or representatives shall be entitled to exercise on behalf of the corporation all the powers that the corporation could exercise if it were an individual member of the Company. Corporate representatives should bring with them to the General Meeting either an original or certified copy of the appropriate board resolution or an original letter confirming the appointment, provided it is on the corporation's letterhead and is signed by an authorised signatory and accompanied by evidence of the signatory's authority.
16. As at 10 August 2020 (being the latest practicable business day prior to the date of posting of this notice of General Meeting), the Company's issued Ordinary Share capital comprised 107,719,400 Ordinary Shares of £0.0001 each and therefore that the total voting rights in the Company as at that time were 107,719,400.

