

PERPETUAL ENERGY INC.

CORPORATE OVERVIEW

ANNUAL GENERAL MEETING

MAY 16, 2023



**BOLD IDEAS
FOR ENERGY**

Perpetual Positioned for Value Capture

Refer to Slide Notes and Advisories



❑ Rubellite transactions delivered to restore Perpetual's business plan



- **Materially reduced debt**
- **Re-established sustainable cost structure with G&A cost sharing & debt reduction**
- **Restored sufficient liquidity to invest in assets and ideas**
- **Maintained exposure to next wave of improving commodity prices & Clearwater Play**

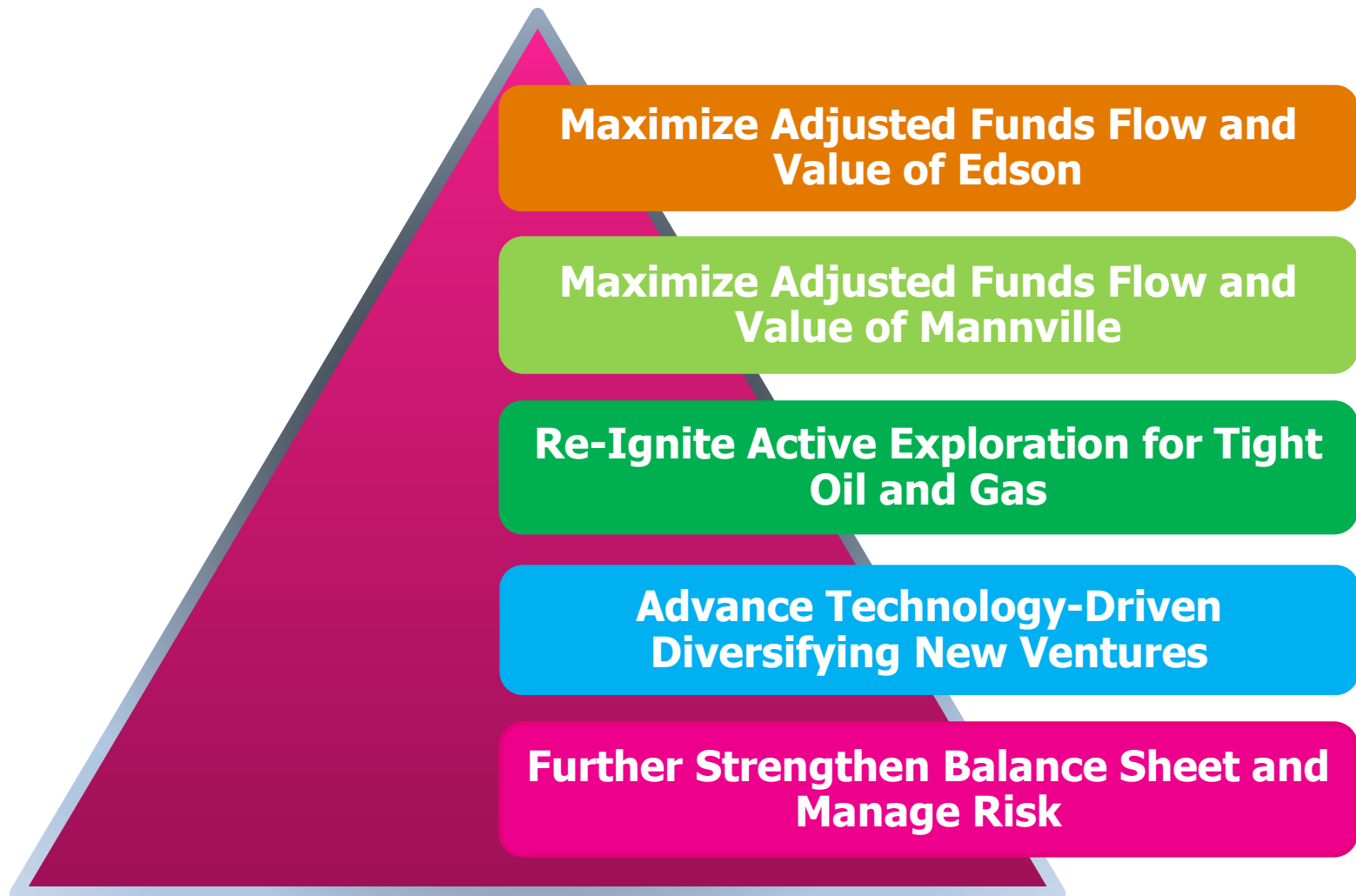
❑ Capturing the inherent value in our diverse asset base & pursuing new ventures

- **Investing in sustainable diversified proven asset base (Edson and Mannville)**
 - Mannville heavy oil has large oil in place; Restored production
 - Edson has predictable production profile; attractive half cycle economics; JV partner Tourmaline
- **Strong year-over-year growth in production with enhanced netbacks triples adjusted funds flow**
 - *Production in 2022 of 6,486 boe/d, up 20% year-over-year over largely fixed cost base*
 - Robust natural gas, oil and NGL prices in 2022 drove strong top line revenue
 - Interest and G&A cost savings from Rubellite transactions of ~\$6-7 MM/year
 - *2022 adjusted funds flow up 190% to \$48.5 MM (\$0.75/share) vs. 2021 AFF of \$16.7 MM (\$0.27/share)*
- **Healthy balance sheet**
 - *Free cash flow reduced net debt at YE 2022 to \$56.3 MM, down ~5% from YE 2021 net debt of \$59.3 MM*
 - *Net debt to TTM adjusted funds flow ratio at December 31, 2022 of ~1.2 times*
 - Dramatically improved liquidity allows for investment in value-enhancing opportunities
- **Spectrum of high impact New Venture opportunities**
 - Heavy oil and tight gas exploration; Panny bitumen; Helium; Clean Hydrocarbon new ventures
- **Q1/23 results released May 4, 2023**
 - *Q1 2023 Production of 6,655 boe/d with adjusted funds flow of \$8.9 MM (\$0.13/share)*
 - *Net debt at March 31, 2023 of \$55.4 MM, down ~2% from YE 2022 net debt of \$56.3 MM*
 - *Net debt to TTM adjusted funds flow ratio at March 31, 2023 of ~1.3 times*

Perpetual positioned to realize inherent value of base assets and re-ignite exploration to grow production, reserves, adjusted funds flow and value

2023 Strategic Priorities

Refer to Slide Notes and Advisories



PMT Financial Profile

Refer to Slide Notes and Advisories



Financial Profile (TSX: "PMT")	
Common Shares o/s⁽¹⁾	66.0 million
Management & Insider Ownership	50.6%
Share price⁽¹⁾	\$ 0.60
Market capitalization	\$39.6 million
Bank debt⁽²⁾	\$10.8 million
Term loan⁽²⁾	\$2.7 million
Other liability⁽²⁾⁽³⁾	\$3.3 million
Senior notes⁽²⁾	\$35.6 million
Adjusted working capital deficiency⁽²⁾⁽⁴⁾	\$3.0 million
Net debt	\$55.4 million
Enterprise value	\$95.0 million

(1) May 12, 2023 closing market price and common shares outstanding at May 4, 2023 net of shares held in trust (Q1 2023 – 1.3 million) .

(2) At March 31, 2023 (undiscounted).

(3) Contingent payments (undiscounted) based on March 31, 2023 strip prices.

(4) Adjusted working capital deficiency includes fair value of 4.0 million Rubellite Share Purchase Warrants.

Asset Profile

Refer to Slide Notes and Advisories

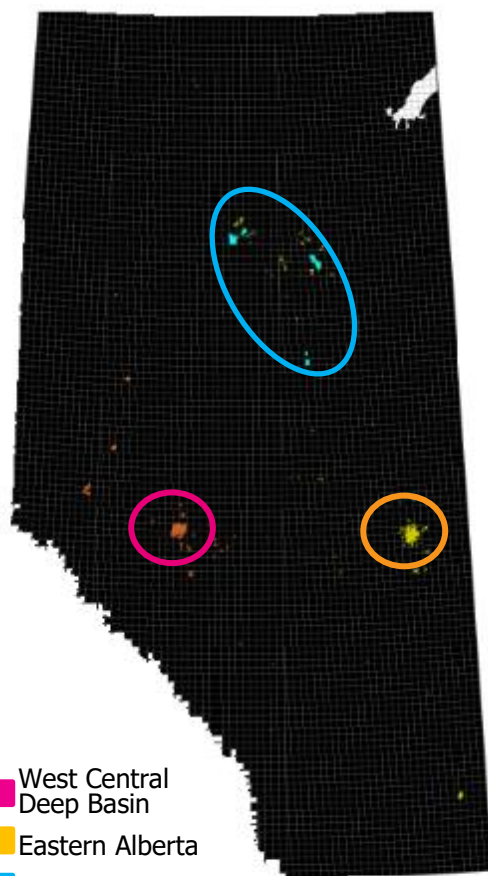


West Central Liquids-Rich Gas

- Edson Wilrich and secondary zones
- Multi-zone liquids-rich gas

Eastern Alberta Heavy Oil

- Mannville heavy oil & shallow gas
- Bitumen



West Central Deep Basin
Eastern Alberta
Bitumen

Asset Summary	Edson	Mannville	Total
Production (2023 avg)⁽¹⁾	5,443 boe/d (78%)	1,503 boe/d (22%)	6,951 boe/d (TPP)
P+P Reserves⁽¹⁾	25.7 MMboe (81%)	5.9 MMboe (18%)	31.6 MMboe
NPV 10 (P+P)⁽¹⁾	\$233.7 MM	\$72.9 MM	\$302 MM
Reserve Life Index (P+P)⁽²⁾	13 Years	10.8 Years	12.5 Years
Net Drilling Inventory⁽³⁾⁽⁴⁾	28.1	55.0	83.1
Gross (Net) PPUDs⁽³⁾ + Net unbooked locations⁽⁴⁾	30 (14.1 net) + 28 (14.0 net) unbooked	13 (13.0 net) + 42 (42.0 net) unbooked	43 (27.1 net) + 70 (56.0 net) unbooked
Capital (DCET)⁽³⁾	\$5.7 MM	\$1.3 - \$2.3 MM	
PPUD NPV 10⁽⁵⁾	\$3.5 - \$5.8 MM	\$1.1 MM	
ROR⁽⁵⁾	131% - >200%	39% - >200%	
Bitumen (DPIIP)⁽⁶⁾			1,292 MMbbl

(1) Year End 2022 NI 51-101 McDaniel Reserves Report; Consultants Average Jan 1, 2023 Price forecast.

(2) Year End 2022 Reserves divided by year one production forecast per YE 2022 McDaniel Report.

(3) Drilling locations are YE 2022 McDaniel Report PPUD counts at Jan 1, 2023 and working interest inventory locations. Capital is gross.

(4) Edson additional inventory includes Wilrich inventory of 4 gross (2.0 net) and secondary zone inventory 24 (12.0 net).

(5) NPV10 & Rate of Return ("ROR") per gross location based on YE 2022 McDaniel Report; PPUD at Consultants Average Jan 1, 2023 Price forecast.

(6) DPIIP (Discovered Petroleum Initially In Place), evaluated by internal qualified reserves evaluator in accordance with COGE Handbook.

Diversified resource base with exposure to liquids-rich natural gas, conventional heavy oil and bitumen resource

Asset Summary – West Central Alberta

East Edson Liquids-Rich Gas

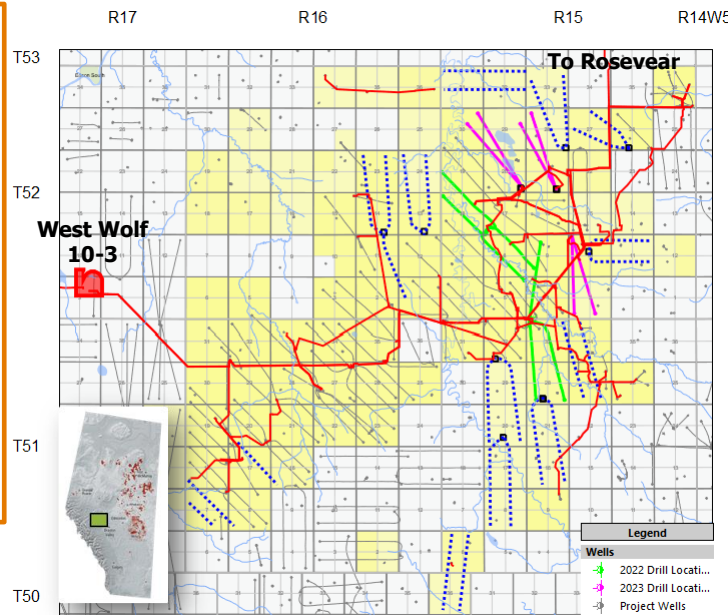
Refer to Slide Notes and Advisories



- Low cost, liquids-rich conventional natural gas, multi-zone property with owned infrastructure
- 50% non-operated interest with best-in-class operator (Tourmaline Oil Corp (TOU-TSX))
- 'Drill to fill' development programs: 2023 – Drill & Complete 6 - 8 gross (3.0 - 4.0 net) wells
 - Continue drilling to maintain 'full capacity' through the existing infrastructure and harvest property-level free funds flow
 - Approximately 6-8 gross wells (50% net to Perpetual) per year planned
 - 2023 East Edson drilling program: Q1 2023 - 2 well pad (1.0 net)
 - H2 2023 - Up to 6 gross wells with production ramp for winter pricing exposure
 - Wilrich drilling inventory forecast to sustain production at infrastructure capacity through 2028
- Secondary Zone potential in multiple proven horizons
 - Resource in Cardium, Viking, Notikewin, Fahler, Rock Creek, Gething and Second White Specks zones proven in vertical producers
 - Reserve additions from first Notikewin horizontal drilled in Q4 2022 – Monitoring production & higher liquid yield performance
- Evaluating technologies to drive ESG excellence
 - West Wolf Lake Plant is host to the Natural Gas Innovation Fund's Emissions Testing Center for new technology field trials

East Edson

- Wilrich primary development
 - 30 (14.1 net) PPUD locations
 - 4 (2.0 net) unbooked Wilrich locations
- Q1 2023 production: ~5,122 boe/d
 - 27.8 MMcf/d net gas
 - 495 bbl/d net NGL (59% C5+)
- Gross(Net) Capacity: 78 (39) MMcf/d
 - West Wolf: 65 (32.5) MMcf/d
 - Rosevear: 13 (6.5) MMcf/d
- Secondary zone potential
 - 1 PNP Notikewin onstream Jan 2023
 - 24 (12.0 net) unbooked locations
 - Cardium, 2nd White Specks, Viking, Notikewin, Fahler, Gething & Rock Creek



McDaniel YE 2022 TPP Type Curve Economics

Price Deck	3 Consultant Pricing January 1, 2023
2023 Pricing	\$4.01/GJ (AECO); \$75.23/bbl NGL
Capital (D,C & T)	\$5.65 MM
Depth / Lateral Length	2,430 m TVD/ 2,200 – 2,700 m
Type Curve	IP 5.9 – 9.7 MMcf/d 1 year exit rate 1.8 - 2.5 MMcf/d 15.90 bbl/MMcf NGL (62% condy)
2P Reserves	4.4 – 6.5 Bcfe per well
Operating Costs	\$2.14/boe (first year)
NPV @ 10 %	\$3.5 - 5.8 MM gross
ROR	131% - >200 %
F&D	\$5.14 - \$6.99/boe
Capital Efficiency	\$7,566 - \$9,343 boe/d
Payout / Recycle Ratio	0.6 - 0.9 Years / 6.3 – 4.4 times

- Liquidity injection from Rubellite transactions funded participation in Edson 'drill to fill' strategy
- Continued capital investment grows PDP reserves, converts unbooked inventory to PPUD, lowers unit operating costs and drives operating netback in excess of capital spending
 - Incremental operating costs to put new wells on stream is minimal given largely fixed cost base
- Exposure to natural gas price rallies and strong NGL pricing

TPP Reserves	McDaniel YE 2022 East Edson March 1, 2023 Strip ⁽¹⁾		McDaniel YE 2022 East Edson As at Jan 1, 2023 @ Jan 1 Consultant Avg Price ⁽¹⁾	
	(PV10 \$MM)	(PV15 \$MM)	(PV10 \$MM)	(PV15 \$MM)
Developed (P+PDV) ⁽²⁾	\$ 68.0	\$ 64.3	\$ 115.0	\$ 97.3
Undeveloped (P+PUD) ⁽³⁾⁽⁴⁾	\$ 63.0	\$ 50.9	\$ 118.4	\$ 87.8
Total Reserves⁽⁵⁾	\$ 131.0	\$ 115.2	\$ 233.3	\$ 185.1
Non-Reserve ARO	\$0.362	\$0.311	\$0.362	\$0.311
Reserve Value⁽⁵⁾	\$130.6	\$114.9	\$232.9	\$184.8

(1) Year End 2022 NI 51-101 McDaniel Report on Reserves Data; Consultant Average Price forecast Jan 1, 2023, includes inflation. Strip pricing as of March 1, 2023 includes inflation.

(2) Developed reserves reflect 50% Freehold Royalty GORR.

(3) Undeveloped value includes 30 additional gross (14.1 net) locations, reflecting extended reach wells lengths and spacing. Proved undeveloped is 72% of PPUD location bookings in YE 2022.

(4) Value of additional 28 (14.0 net) unbooked Wilrich inventory and secondary zone inventory locations excluded.

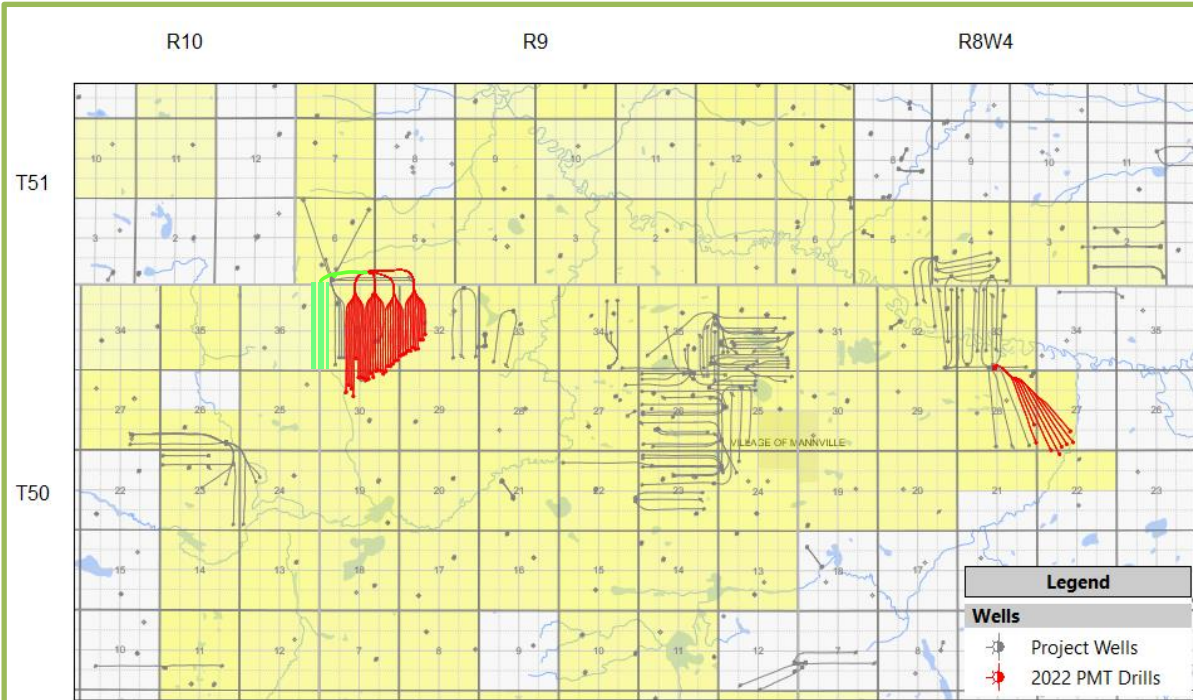
(5) See oil and gas advisories in this presentation.

Attractive economics with < 1.3 year payouts and > 2.4 times recycle ratios at current strip pricing driving free funds flow and value creation

Asset Summary – Eastern Alberta

Mannville Heavy Oil

Refer to Slide Notes and Advisories



2021

- Battery consolidation project to reduce op costs funded by equipment sale/reuse

2022

- 2 multi-lateral drills in Q1; Avg IP30=160 bbl/d; IP60=120 bbl/d, IP90=105 bbl/d
- 3 multi-lateral drills in Q3; Avg IP30=203 bbl/d; IP60=177 bbl/d, IP90=161 bbl/d
- Battery consolidation phase 2 funded 50% through material transfers
- 7 gas well recompletions

2023

- 1 development well budgeted; likely deferred to a larger 2024 program
- Ongoing waterflood management and optimization
- Exploration locations under review

Mannville Production

- Q1 2023 = 1,533 boe/d (70% heavy oil)
 - Averaged ~1,022 bbl/d heavy oil
- Legacy shallow gas enhances heavy oil operations while funding end-of-life asset retirement obligations
- Power generation capacity of 920 kW adds additional revenue and natural hedge to Edson power usage

Access to Large Oil Resource

- > 190 MMbbl Discovered Petroleum Initially In Place⁽¹⁾
- 6.3 MMbbl produced to date⁽²⁾ (<3% of DPIIP)
- 4 MMbbl remaining TPP reserves (4.5% recovery factor)⁽³⁾

HZ exploration and development

- 1 (1.0 net) multi-lateral and 12 (12.0 net) single leg booked locations and up to 42 (42.0 net) unbooked exploratory locations configured as multi-laterals where possible

(1) Parameters as per YE 2022 NI 51-101 McDaniel Report effective Dec 31, 2022 in accordance with COGE Handbook.

(2) Produced to date is from initial to December 31, 2022.

(3) Recovery factor based on aggregate McDaniel total proved plus probable reserves ("TPP") plus cum produced to date divided by aggregate DPIIP.

Multi-lateral drilling, waterflood optimization and future EOR potential

Battery consolidation project liberating used equipment and driving cost reductions

Mannville Value

Refer to Slide Notes and Advisories



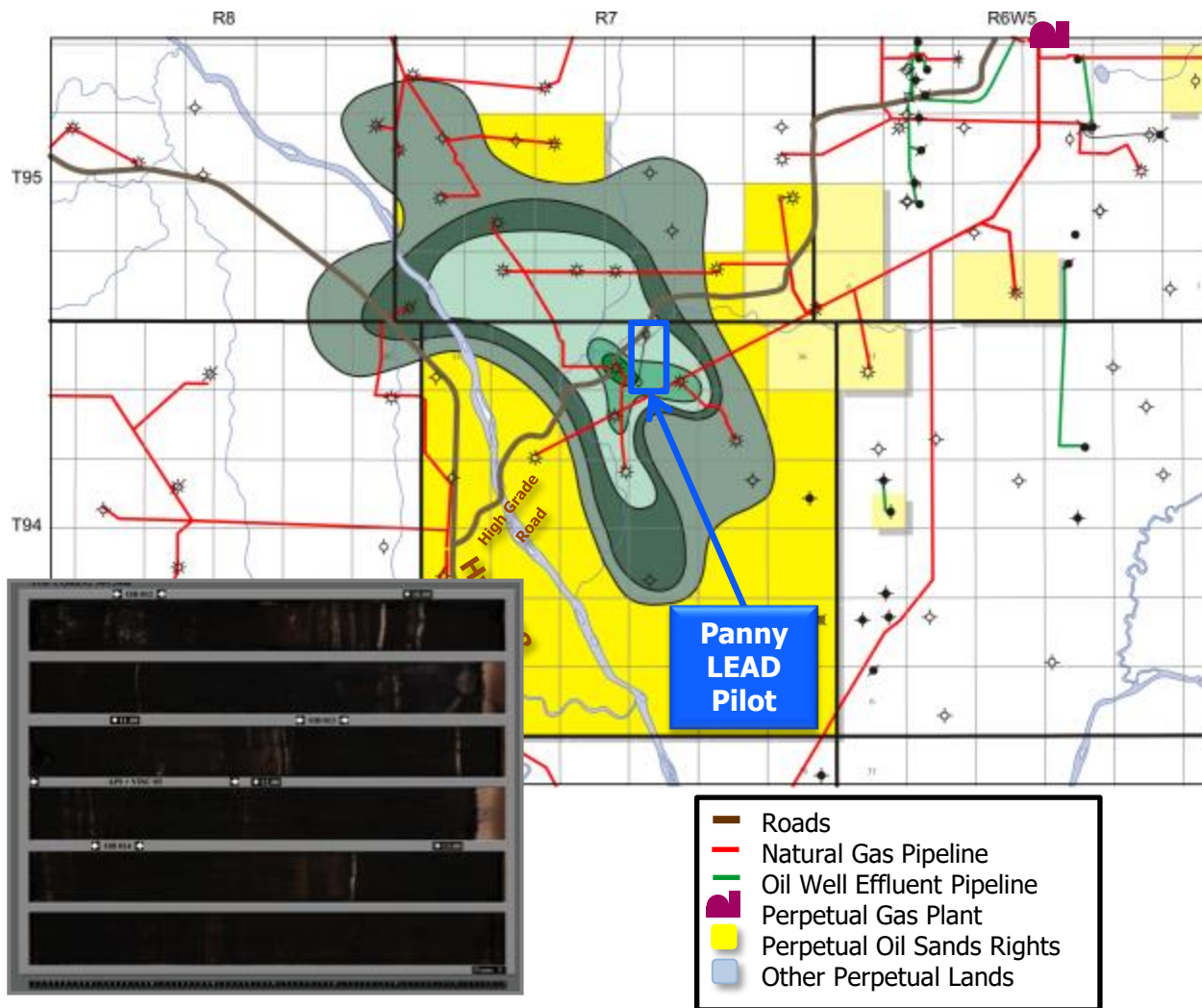
- Generating substantial field level operating netbacks in excess of capital and annual ARO spending
- Five 8-leg multi-laterals drilled in two Sparky pools in 2022
 - 4 Sparky B Pool wells drilled with oil-based mud (“OBM”) system
 - Load oil recoveries sold and credited to drilling costs prior to recording sales production
 - Q1 2022 drill on production after full OBM recovery April 1, 2022: IP30 247 bbl/d
 - 3 follow-up locations drilled in Q3 2022; IP30s of 384 bbl/d, 145 bbl/d and 79 bbl/d (excludes minor solution gas)
 - Upper Mannville I2I Pool extension well drilled with KCL-Amine water-based mud system
 - IP30 = 74 boe/d, IP60 = 65 boe/d, IP90 = 66 boe/d (~ 74% oil)
- Battery consolidation project driving down operating costs (largely complete)
 - 2022 capital of ~ \$1 MM; Generates \$0.5 MM of equipment for new projects or third party sales
 - Activity included conversion of an existing injection battery to a combination oil treating, sales & injection site and retired 6 production batteries by utilizing existing water lines for emulsion gathering
 - 1 short pipeline and water injection conversion completed will save on water trucking and allows economic restart of 3 long term shut-in wells
 - Operating cost savings estimated at >\$100,000/year in reduced fuel gas savings, equipment maintenance, trucking and lower property taxes

TPP Reserves	McDaniel YE 2022 Mannville @ March 1, 2023 Strip ⁽¹⁾		McDaniel YE 2022 Mannville Jan 1 2023 Consultant Avg Price ⁽¹⁾	
	(PV10 \$MM)	(PV15 \$MM)	(PV10 \$MM)	(PV15 \$MM)
Developed (P+PDV) ⁽²⁾	\$ 38.3	\$ 35.6	\$ 58.1	\$ 50.4
Undeveloped (P+PUD) ⁽³⁾⁽⁴⁾	\$ 4.8	\$ 3.0	\$ 14.8	\$ 10.6
Total Reserves⁽⁴⁾	\$ 43.1	\$ 38.6	\$ 72.9	\$ 61.0
Non-Reserve ARO	(\$ 5.1)	(\$ 4.4)	(\$ 5.1)	(\$ 4.4)
Reserve Value⁽⁴⁾	\$38.0	\$ 34.2	\$ 67.8	\$ 56.6

- (1) Year End 2022 N1 51-101 McDaniel Report on Reserves Data; Three Consultant Average Price forecast Jan 1, 2023, includes inflation. Strip pricing as of March 1, 2023, includes inflation.
- (2) Includes 13 gross locations in YE 2022 Reserve Report at Jan 1, 2023.
- (3) Value of additional 42 gross (42.0 net) unbooked inventory locations excluded.
- (4) See oil and gas advisories in this presentation.

Improved WCS oil prices combining with operating cost reductions and production growth to drive strong operating netbacks, free funds flow and value

Bitumen – Panny Bluesky



Excellent reservoir quality in Bluesky homogeneous estuarine sand facies

Evaluating multi-leg horizontal wells for cold flow

Low viscosity bitumen

- 15,000 cp at 25°C
- 50,000 cp at 11°C reservoir temp
- Viscosity decreases to the north east

Panny Bluesky Resource Assessment

- Average pay thickness 11 m
- 755 MMbbl DPIIP ⁽¹⁾

LEAD Thermal Pilot Phase 1

- Phase 1 utilized a single horizontal well and an electrical resistive heating cable
- 4 cycles of heating over ~ 18 months in late 2015 to mid 2017 showed positive reservoir response to low grade heat

Cold Flow Multi-lateral Pilot Potential

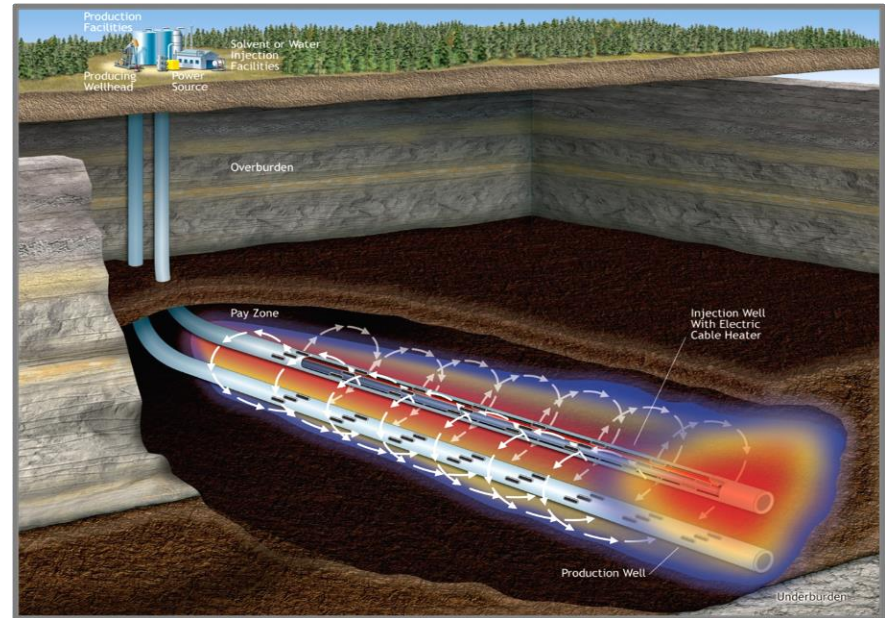
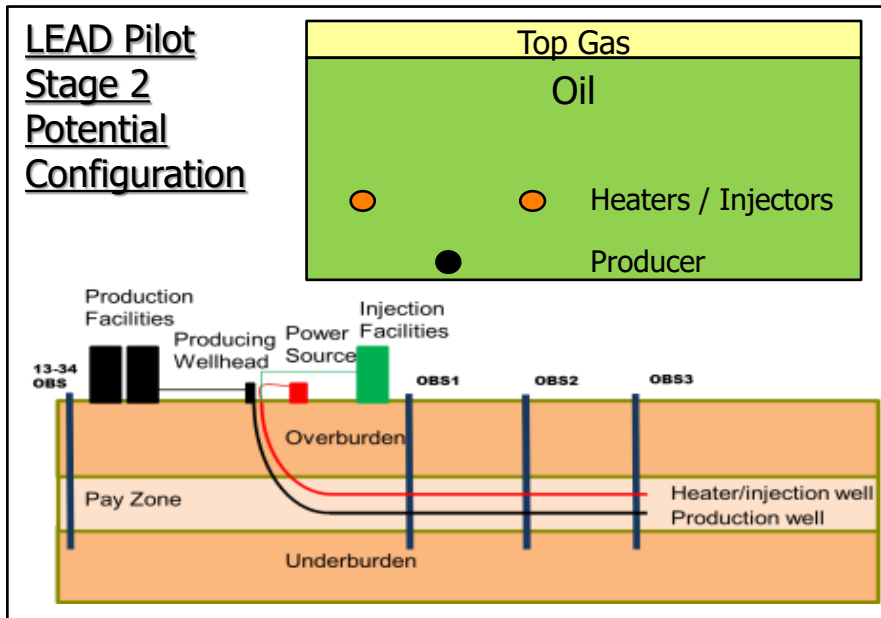
- Evaluating drilling multi-laterals for cold flow in 2024
- Prospect is supported by performance of five single lateral horizontal wells drilled in 1998 in adjacent townships having recovered over 110,000 bbl combined

⁽¹⁾ DPIIP (Discovered Petroleum Initially In Place), evaluated by internal qualified reserves evaluator in accordance with COGE Handbook.

LEAD Technology Pilot

Low Pressure Electro-Thermally Assisted Drive

- **First stage of pilot – single well Cyclic Heat Stimulation completed in 2017**
 - Electrical resistive heating and production in a single horizontal well to validate reservoir flow model and heater technology
 - Two highly instrumented observation wells in close proximity to the horizontal heater well monitoring reservoir response
 - Four cycles executed through 2016 and Q2 2017 of varying heat stimulation and solvent parameters
 - Exceeded cumulative oil production expectations by >100%
- **Future pilot results will drive assessment of full scale development potential**
 - Pilot design guided by first stage pilot and multi-lateral drilling learnings; Scoping economic viability
 - Alternative heat delivery systems with multi-lateral drilling to be evaluated
 - Multiple pools could provide for pilot test of two or more prospective technologies



Medicine Hat Helium Prospect

High Impact Opportunity

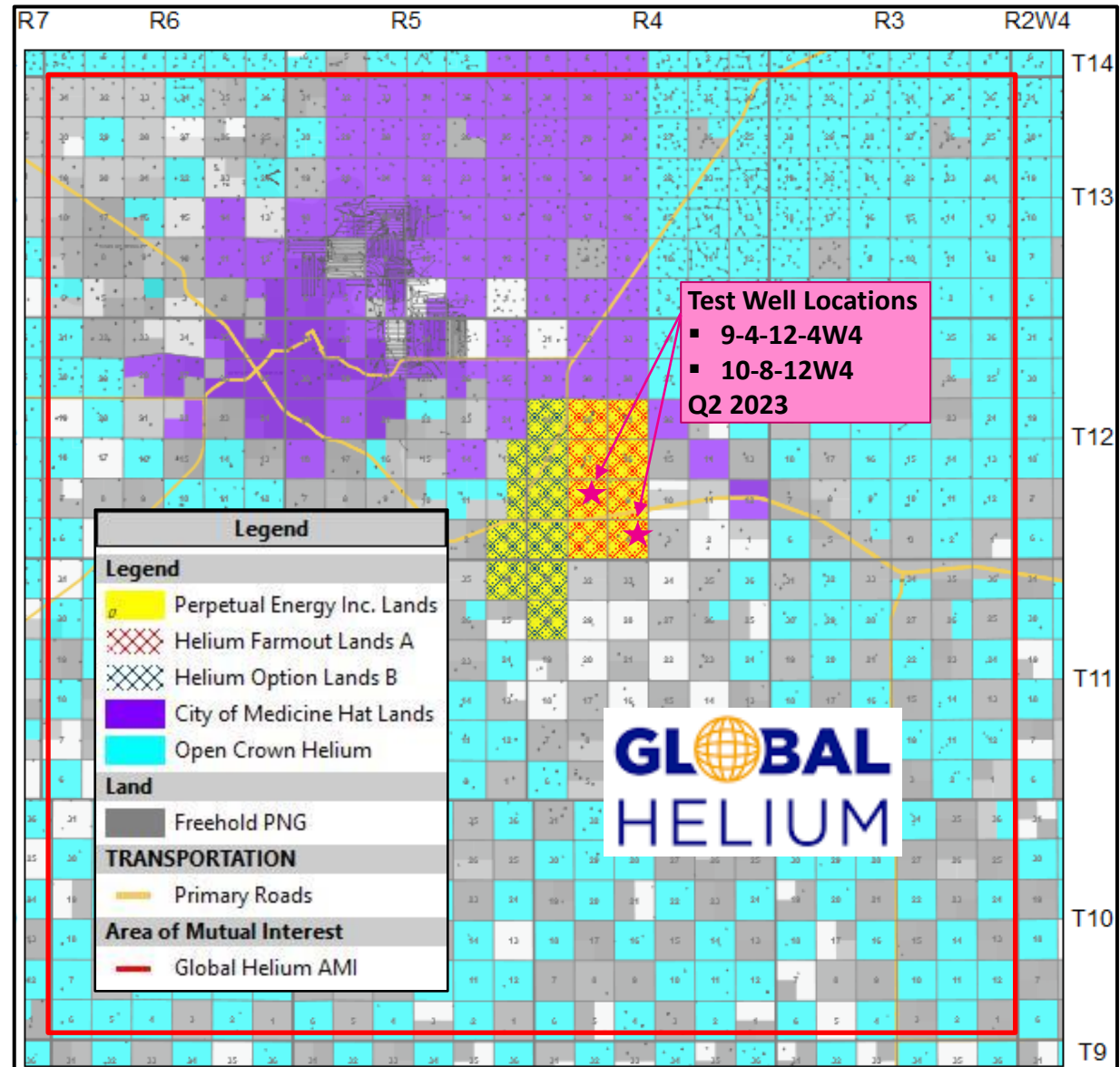
- Helium opportunity on 17 sections of Perpetual fee title lands
- Signed Farmout and Option Agreement with Global Helium Corp.
- Agreement includes large Area of Mutual Interest

Drilling Commitments

- Two Test Wells to be drilled in Q2 2023 with no capital exposure to Perpetual
- Perpetual to retain a 25% working interest and 7% lessor royalty on the Farmout Lands

Facility Investment & Construction

- Global will fully fund installation of a helium plant
- Perpetual retains option to equalize in future



**Strategic Farmout and Joint Venture signed January 13, 2023
to advance another technology-driven diversifying new venture**

2023 Capital Activity and Guidance

Refer to Slide Notes and Advisories



E&D Capital Activity	Q1 2023		Q2 - Q4 2023E		TOTAL 2023E	
	\$ millions	# of wells gross/net	\$ millions	# of wells gross/net	\$ millions	# of wells gross/net
West Central	\$ 8.9	2 / 1.0	\$14 - \$19	4 - 6 / 2.0 - 3.0 ⁽¹⁾	\$23 - \$28	6 - 8 / 3.0 – 4.0 ⁽¹⁾
Eastern Alberta	\$ 0.2	0	\$2 - \$4	0 - 1 / 0.0 – 1.0	\$2 - \$4	0 - 1 / 0.0 – 1.0
TOTAL⁽²⁾	\$9.1	2 / 1.0	\$16 - \$23	4 - 7 / 2.0 - 4.0	\$25 - \$32	6 – 9 / 3.0 – 5.0

⁽¹⁾ Edson Q4 capital includes \$2.6MM of capital for wells that will RR in 2024 and are excluded from the well count.

⁽²⁾ Excludes abandonment and reclamation spending, acquisitions and land expenditures, if any.

Guidance Assumptions ⁽¹⁾	2023E
E&D Capital Expenditures (\$ millions) ⁽²⁾	\$25 - \$32
Cash costs per boe ⁽³⁾	\$16 - \$18
Average Production (boe/d)	6,400 – 6,600
Production mix (%)	22% oil & NGL
Royalties (% of revenue)	16% - 18%

⁽¹⁾ Guidance released March 2, 2023 and reconfirmed May 4, 2023.

⁽²⁾ Excludes abandonment and reclamation spending and acquisitions or land expenditures, if any.

⁽³⁾ Cash costs include operating costs, transportation costs, interest and general and administrative costs.

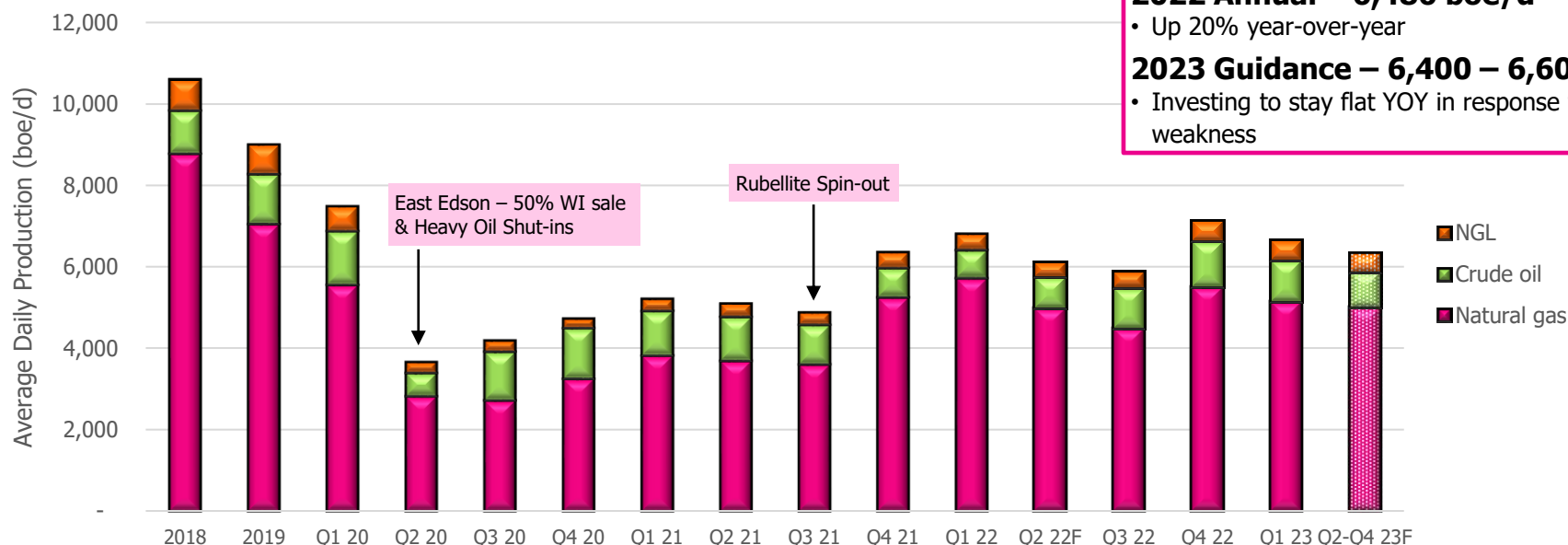
Capital Spending to be funded from adjusted funds flow and credit facility
Any excess free funds flow expected to be directed to further debt reduction

Production Profile

Refer to Slide Notes and Advisories



Production



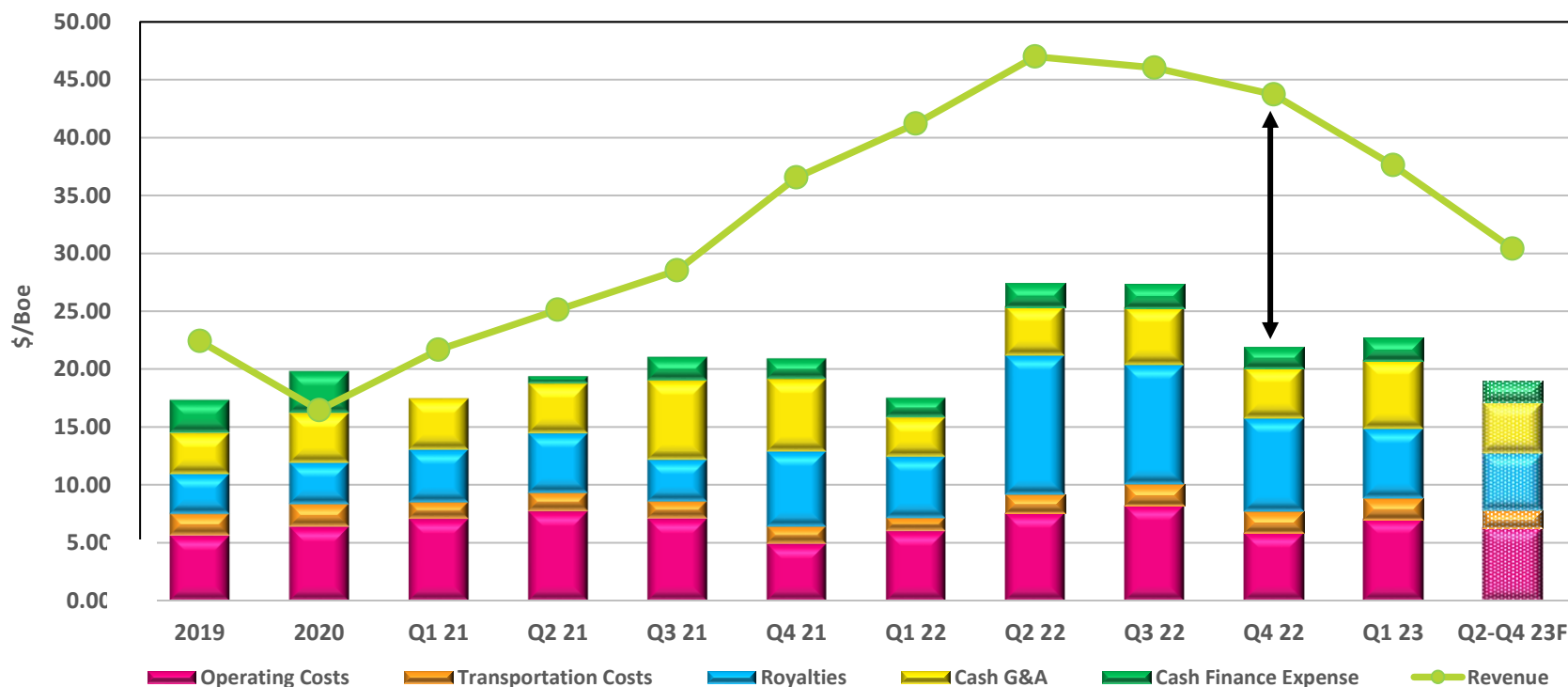
- 50% sale of East Edson and heavy oil shut-ins in Q2 2020 dropped production to low point
 - Heavy oil shut-ins driven by extreme low oil prices to minimize operating losses and preserve reserves
 - Gradual heavy crude oil restarts began in Q3 2020 as WCS prices stabilized; Fully restored in Q1 2022 as WCS prices escalated
- East Edson drilling program restores natural gas and NGL production
 - 2020 & 2021 drilling programs reversed natural declines and set growth trajectory to utilize existing plant infrastructure
 - Q4 2022 production restored to pre-East Edson Transaction levels
 - 'Drill to Fill' available processing capacity with two (1.0 net) well in Q1 2023, and six (3.0 net) well drilling program in H2 2023 with a similar program planned for 2024
- Multi-lateral drilling technology growing heavy oil production
 - Clearwater exploration led to formation and spin-out of Rubellite in Q3 2021
 - Application of multi-lateral technology to Sparky formation development at Mannville grew volumes in 2022
 - Prepared to execute one multi-lateral drill in 2023 and/or implement waterflood in new multi-lat developed Sparky pool

Perpetual grew year-over-year production by 20% in 2022

Production fully restored, including Clearwater Assets capitalized in Rubellite

Operating Netbacks

Refer to Slide Notes and Advisories



Strong 2022 netbacks driven by:

Maximizing Revenue

- Natural gas, oil and NGL price rally in 2022 supported by supply/demand fundamentals
- Capital spending at East Edson to fill plant capacity
- Mannville multi-lateral drilling to grow heavy oil production
- LNG facility disruption combined with extremely warm winter to cause current North American gas storage bubble
- Weaker WTI price forecast related to inflation-induced recessionary concerns

Reducing Costs

- Top quartile operating costs re-established by East Edson production growth over largely fixed cost base
- Reduced interest costs with debt reduction
- Lower G&A driven by MSA cost sharing in Rubellite transaction

Strong operating netbacks combined with production growth generated ~\$14.1 MM in free funds flow in Q4 2022 for debt reduction

Balance Sheet

Refer to Slide Notes and Advisories



- Balance sheet strength improved materially year-over-year
 - Purchased and cancelled \$0.97 MM of Senior Notes in Q3 2022
 - 2022 adjusted funds flow of \$48.5 MM, up 189% year-over-year (2021 AFF - \$16.7 MM)
 - Net debt to adjusted funds flow ratio of 1.2 times at year end 2022
 - Available liquidity of \$13.9 MM at December 31, 2022
- March 31, 2023 balance sheet continues to improve
 - Net debt ~2% lower than year-end 2022 and down ~6% from year-end 2021 at \$55.4 MM
 - Available liquidity of \$18.0 MM at March 31, 2023

Balance Sheet	Security	Interest Rate	Maturity	Amount (\$ millions)
Revolving Bank Debt⁽¹⁾ <ul style="list-style-type: none"> \$30 MM borrowing limit; \$1.2 MM letters of credit 	1 st Lien BMO/Scotia/ATB	8.2% Q1 2023 rate	May 31, 2024	\$10.8
Term Loan⁽¹⁾	2 nd Lien - AIMCo	8.1%	Dec 31, 2024	\$2.7
2025 Senior Notes⁽¹⁾	3 rd Lien Secured	8.75%	Jan 23, 2025	\$35.6
Other Liability⁽²⁾	Unsecured - AIMCo		June 30, 2024	\$3.3
Adjusted working capital deficiency⁽³⁾	N/A		N/A	\$3.0
Net Debt⁽¹⁾				\$55.4
Net debt to TTM adjusted funds flow⁽⁴⁾				1.3 times

(1) As at March 31, 2023 (undiscounted).

(2) Contingent payments (undiscounted) based on March 31, 2023 strip prices.

(3) Adjusted working capital deficiency includes fair value of Rubellite Share Purchase Warrants of \$2.7 million.

(4) March 31, 2023 trailing twelve month ("TTM") adjusted funds flow of \$43.2 million.

Net Debt to 2022 adjusted funds flow ratio of 1.2x

Commodity Price Risk Management

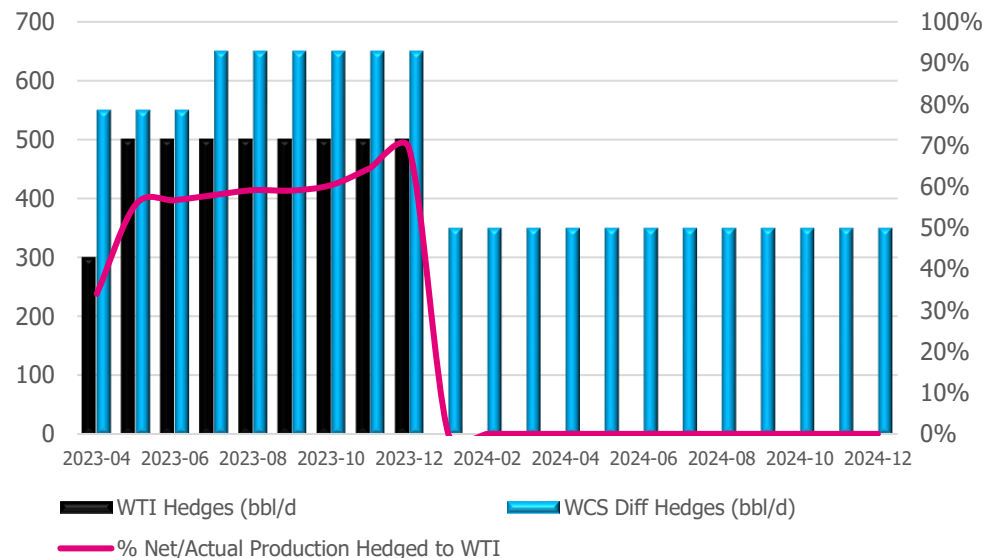
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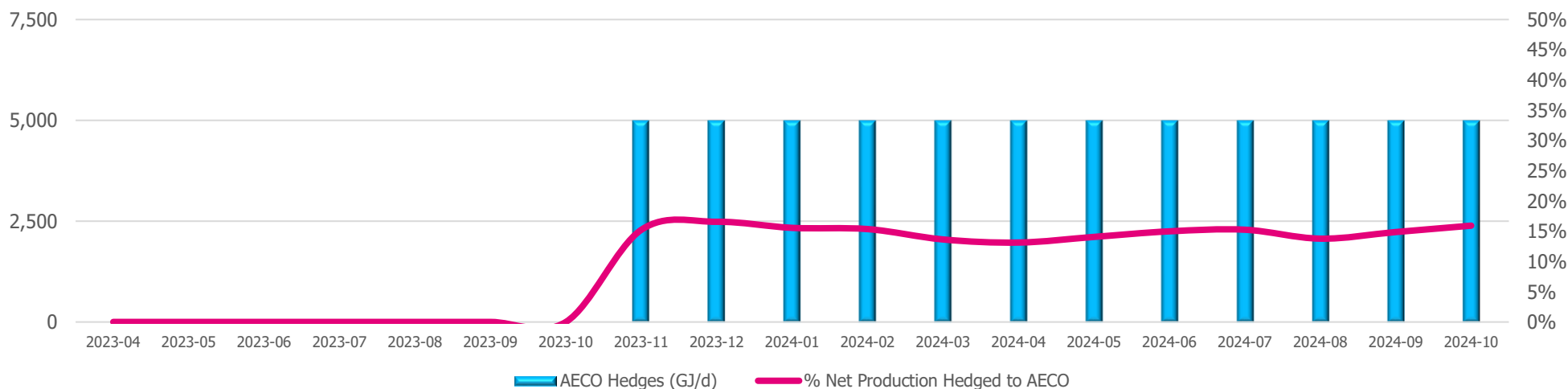
Risk Management Philosophy and Strategy

- Strategy focuses on protection of maintenance capital spending, investment returns and balance sheet
- Physical forward sales contracts and financial derivatives used to:
 - Increase certainty in adjusted funds flow
 - Manage the balance sheet
 - Ensure adequate funding for maintenance capital programs
 - Lock in investment returns
 - Take advantage of perceived anomalies in commodity markets
- Market Diversification contracts used to synthetically translate AECO price exposure to Nymex-based pricing points

Oil / Liquids Price Management



Natural Gas Price Management



(1) As at May 9, 2023; See Slide Notes for summary of contracts.

Market Diversification Contract

Refer to Slide Notes and Advisories



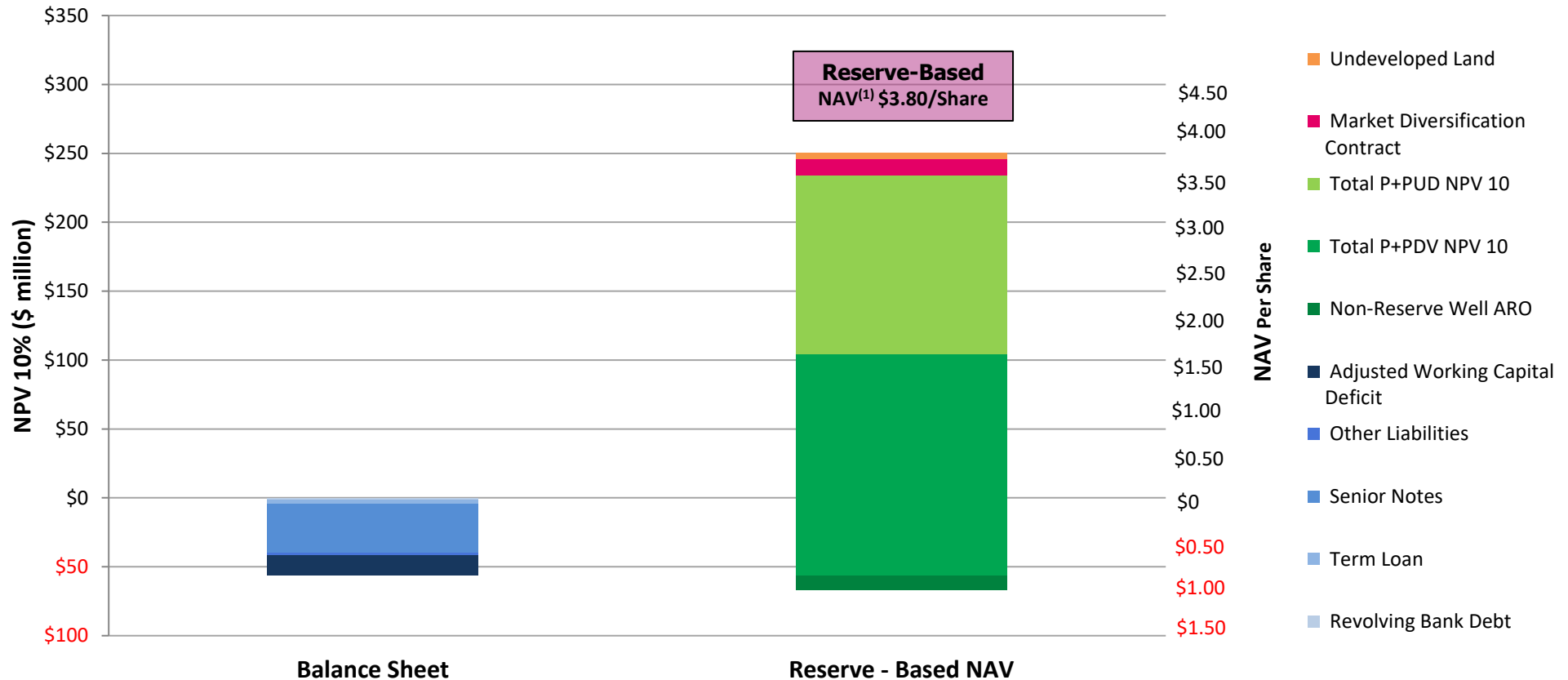
Market/Pricing Point	April 1, 2023 to Oct 31, 2023 Daily sales volume (MMBtu/d)	Nov 1, 2023 to Oct 31, 2024 Daily sales volume (MMBtu/d)
Malin	–	15,000
Dawn	15,000	15,000
Emerson	10,000	10,000
Total sales volume	25,000	40,000

- Market diversification contract diversifies AECO price exposure to NYMEX based pricing points
 - Perpetual receives pricing point daily index price less transportation costs from AECO
 - Price exposure managed independently at each pricing point
 - Contract provides Perpetual with synthetic pipeline space to diverse US pricing points
- Contracts have contributed an incremental \$29.7 MM adjusted funds flow over AECO market pricing, inclusive of \$2.5 MM of closed out positions to October 31, 2023 (to be paid in corresponding future months)⁽¹⁾
- Mark to market of remaining open positions = \$6.5 MM⁽¹⁾
- Actively managing and right-sizing contract with consideration to market dynamics
- Lack of winter weather in major eastern market hubs has significantly impacted price and basis, resulting in weaker basis at Emerson/Dawn and stronger basis at AECO and Malin

(1) As at May 9, 2023.

Sum of the Parts Net Asset Value

Refer to Slide Notes and Advisories



(1) Net asset value ("NAV") per share based on 67.26 million shares outstanding; Reserve valuation based on TPP (NPV10%) Year End 2022 N1 51-101 McDaniel Report on Reserves Data; Three Consultant Average Jan 1, 2023 prices, includes inflation; Financial information as at December 31, 2022.

December 31, 2022 Reserve-Based NAV = \$3.80/Share



Perpetual Investment Highlights

Refer to Slide Notes and Advisories



High Quality Assets

- **Diversified, resource-style asset base for short and long term value growth**
 - **Edson Wilrich Liquids-rich Gas** inventory provides strong investment returns
 - **Mannville Heavy Oil** with multi-lateral drilling inventory and secondary recovery potential
- Meaningful exposure to high growth **Clearwater Oil play through Rubellite Share Purchase Warrants**
- **Prospects** for technology-driven bitumen, heavy oil and natural gas resource plays
- Exposure to emerging **Helium** play through strategic joint venture

Track Record of Operational Performance

- **Execution and operational excellence** in chosen strategies
- **Creative and entrepreneurial team**
- Full service technical, administrative and management capacity **optimized for asset base**
- Focused on technology-driven **ESG performance**

Capitalized for Success

- **Normalized leverage ratios** with **ample runway to maturities**
- **Sufficient liquidity** to invest to capture inherent value of assets and to pursue new venture ideas
- **Free funds flow focused on further deleveraging**

Significant Value Potential

- Trading at compelling discount to **reserve-based net asset value**
- **Torque to increase in oil and gas prices**
- Through Rubellite arrangement warrant financing, Perpetual shareholders were positioned with **opportunity to directly own ~45% of well-capitalized Clearwater growth entity**



ADDITIONAL INFORMATION

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General

The information contained in this presentation does not purport to be all-inclusive or to contain all information that prospective investors may require. Prospective investors are encouraged to conduct their own analysis and reviews of the Company and of the information contained in this presentation. Prospective investors should consult their own professional advisors to assess their potential investment in the Company and before making an investment decision. An investment in the Common Shares is subject to a number of risks that should be considered by a prospective investor. In this presentation, all amounts are in Canadian dollars, unless otherwise indicated. Any graphs, tables or other information in this presentation demonstrating the historical performance of the Company or of any other entity are intended only to illustrate past performance and are not necessarily indicative of future performance of the Company. Certain totals, subtotals and percentages may not reconcile due to rounding. See also "Forward-Looking Information" and "Non-GAAP and Other Financial Measures" in the Management's Discussion and Analysis for the period ended March 31, 2023 and year ended December 31, 2022 and "Risk Factors" in the Annual Information Form for the year ended December 31, 2022.

Forward-Looking Information

Certain information in this presentation including management's assessment of future plans and operations, and including, without limitation, the information contained under the headings "Perpetual Positioned for Value Capture", "2023 Strategic Priorities", "2023 Capital Activity and Guidance", "Operating Netbacks" and "Perpetual Investment Highlights" may constitute forward-looking information or statements (together "forward-looking information") under applicable securities laws. The forward-looking information includes, without limitation, statements with respect to: future capital expenditure and production forecasts; expectations as to drilling activity plans and the benefits to be derived from such drilling including production growth and enhanced netbacks and forecast free funds flow; the value of key properties including East Edson and Mannville; the spectrum of high impact new venture opportunities; the substantial exposure to rallying commodity prices; expectations respecting Perpetual's future exploration, development and drilling activities and Perpetual's business plan.

Forward-looking information is based on current expectations, estimates and projections that involve a number of known and unknown risks, which could cause actual results to vary and in some instances to differ materially from those anticipated by Perpetual and described in the forward-looking information contained in this presentation. In particular and without limitation of the foregoing, material factors or assumptions on which the forward-looking information in this presentation is based include: the successful operation of Perpetual's assets; forecast commodity prices and other pricing assumptions; forecast production volumes based on business and market conditions; foreign exchange and interest rates; near-term pricing and continued volatility of the market; accounting estimates and judgments; future use and development of technology and associated expected future results; the ability to obtain regulatory approvals; litigation risks including the Sequoia litigation; the successful and timely implementation of capital projects; ability to generate sufficient cash flow to meet current and future obligations; the ability of Perpetual to obtain and retain qualified staff and equipment in a timely and cost-efficient manner, as applicable; the retention of key properties; forecast inflation, supply chain access and other assumptions inherent in Perpetual's current guidance and estimates; the continuance of existing tax, royalty, and regulatory regimes; the accuracy of the estimates of reserves volumes; ability to access and implement technology necessary to efficiently and effectively operate assets; and the ongoing and future impact of the coronavirus and the war in Ukraine and related sanctions on commodity prices and the global economy, among others.

Statements relating to "reserves" and "resources" are also deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves or resources described exist in the quantities predicted or estimated and that the reserves or resources can be profitably produced in the future. Actual reserves may be greater than or less than the estimates provided herein. The estimated future net revenue from the production of the disclosed oil, natural gas liquids and natural gas reserves does not represent the fair market value of these reserves.

Undue reliance should not be placed on forward-looking information, which is not a guarantee of performance and is subject to a number of risks or uncertainties, including without limitation those described herein and under "Risk Factors" in Perpetual's Annual Information Form and MD&A for the year ended December 31, 2022 and in other reports on file with Canadian securities regulatory authorities which may be accessed through the SEDAR website (www.sedar.com) and at Perpetual's website (www.perpetualenergy.com). Readers are cautioned that the foregoing list of risk factors is not exhaustive. Forward-looking information is based on the estimates and opinions of Perpetual's management at the time the information is released, and Perpetual disclaims any intent or obligation to update publicly any such forward-looking information, whether as a result of new information, future events or otherwise, other than as expressly required by applicable securities law.

Third Party Information

This presentation includes market, industry and economic data which was obtained from various publicly available sources and other sources believed by Perpetual to be true. Although Perpetual believes it to be reliable, it has not independently verified any of the data from third party sources referred to in this presentation or analyzed or verified the underlying reports relied upon or referred to by such sources or ascertained the underlying economic and other assumptions relied upon by such sources. Perpetual believes that its market, industry and economic data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market, industry and economic data used throughout this presentation are not guaranteed and Perpetual makes no representation as to the accuracy of such information.

Non-GAAP Measures Advisories



Non-GAAP and Other Financial Measures

Throughout this presentation and in other materials disclosed by the Company, Perpetual employs certain measures to analyze financial performance, financial position and cash flow. These non-GAAP and other financial measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. The non-GAAP and other financial measures should not be considered to be more meaningful than GAAP measures which are determined in accordance with IFRS, such as net income (loss), cash flow from operating activities, and cash flow from investing activities, as indicators of Perpetual's performance. See "Non-GAAP and Other Financial Measures" in the March 31, 2023 and December 31, 2022 MD&A for further information on the definition, calculation and reconciliation of these measures.

Non-GAAP Financial Measures

"Net debt" is calculated by deducting any borrowing under Perpetual's reserve-based credit facility from adjusted working capital. Adjusted working capital is current assets less current liabilities, adjusted for the removal of the current portion of risk management contracts. Perpetual uses net debt as an alternative measure of outstanding debt. Management considers net debt and adjusted working capital as important measures in assessing the liquidity of the Company.

"Free funds flow" or "free cash flow" is calculated by taking adjusted funds flow and subtracting capital expenditures, excluding acquisitions and dispositions. Management uses certain industry benchmarks, such as free funds flow, to analyze financial and operating performance. Management believes that free funds flow provides a useful measure to determine the Company's ability to improve returns and manage the long-term value of the business.

"Adjusted funds flow" is calculated based on cash flows from (used in) operating activities, excluding changes in non-cash working capital and expenditures on decommissioning obligations since Perpetual believes the timing of collection, payment or incurrence of these items is variable. Expenditures on decommissioning obligations may vary from period to period depending on capital programs and the maturity of the Company's operating areas. Expenditures on decommissioning obligations are managed through the capital budgeting process which considers available adjusted funds flow and regulatory requirements. The Company has added back non-cash oil and natural gas revenue in-kind, equal to retained East Edson royalty obligation payments taken in-kind, to present the equivalent amount of cash revenue generated. The Company has also deducted payments of the gas over bitumen royalty financing from adjusted funds flow to present these payments net of gas over bitumen royalty credits received. These payments are indexed to gas over bitumen royalty credits and are recorded as a reduction to the Corporation's gas over bitumen royalty financing obligation in accordance with IFRS. Additionally, the Company has excluded payments of restructuring costs associated with employee downsizing costs, which management considers to not be related to cash flow from (used in) operating activities. Management uses adjusted funds flow and adjusted funds flow per boe as key measures to assess the ability of the Company to generate the funds necessary to finance capital expenditures, expenditures on decommissioning obligations, and meet its financial obligations.

"Market capitalization" is comprised of common shares outstanding multiplied by the market price of shares.

"Adjusted working capital" surplus or deficiency includes total current assets and current liabilities excluding short-term derivative assets and liabilities related to the Corporation's risk management activities, revolving bank debt, Term Loan, current portion of royalty obligations, current portion of lease liabilities, and current portion of decommissioning obligations.

"Enterprise value" is equal to net debt plus the market value of issued equity, and is used by management to analyze leverage. Enterprise value is calculated by multiplying the current shares outstanding by the market price at the end of the period and then adjusting it by the net debt. The Company considers enterprise value as an important measure as it normalizes the market value of the Company's shares for its capital structure.

"Capital", "capital spending", "capital activity", "maintenance capital", "E&D capital spending", or "E&D capital expenditures" is used to measure the Company's capital investments compared to the Company's annual capital budgeted expenditures. Perpetual's capital budget excludes acquisition and disposition activities as well as the accounting impact of any accrual changes.

"Operating netback" is calculated by deducting royalties, production and operating expenses, and transportation costs from oil and natural revenue. Operating netback is also calculated on a per boe basis using total production sold in the period and presented before and realized gains or losses from risk management contracts. Perpetual considers that netback is a key industry performance indicator and one that provides investors with information that is also commonly presented by other crude oil and natural gas producers. Perpetual considers operating netback to be an important performance measure to evaluate its operational performance as it demonstrates its profitability relative to current commodity prices.

"Available liquidity" is defined as Perpetual's Credit Facility borrowing limit, less borrowings and letters of credit issued under the Credit Facility. Management uses available liquidity to assess the ability of the Company to finance capital expenditures and expenditures on decommissioning obligations, and to meet its financial obligations.

Non GAAP Measures Advisories



Net Asset Value ("NAV") is total proved plus probable reserves as per the McDaniel reserve report as at December 31, 2022, plus independently verified third party land valuation of undeveloped lands, less net debt. This measure is used to show the net asset value of the Company at a point in time under which the reserves are produced at forecast future prices and costs.

PV 10 and PV 15 are calculations of the present value of future estimated oil and gas revenues, net of forecasted direct expenses and discounted at an annual rate of 10% and 15% respectively

Non-GAAP Financial Ratios

"Net debt to TTM adjusted funds flow" or "net debt to adjusted funds flow ratio" is calculated on a trailing twelve-month ("TTM") basis.

"Adjusted funds flow per boe" is comprised of adjusted funds flow divided by the Company's total sales production.

"Adjusted funds flow per share" is comprised of adjusted funds flow divided by the Company's basic shares outstanding.

"Payout" is calculated as the time at which a well or project's cumulative operating netback equals total capital expenditures.

"ROR", or rate of return, is a rate of return measure used to compare the profitability of an investment and represents the discount rate at which the net present value of costs equals the net present value of the benefits. The higher a project's ROR, the more desirable the project.

"IRR", or internal rate of return, is a rate of return measure used to compare the profitability of an investment and represents the discount rate at which the net present value of costs equals the net present value of the benefits. The higher a project's IRR, the more desirable the project.

"Recycle ratio" is used as a measure of profitability. Recycle ratio is calculated as operating netback divided by F&D costs per boe.

"F&D" costs is used as a measure of capital efficiency. The F&D cost calculation includes all capital expenditures for the booked location in the McDaniel's report divided by the total proved plus probable reserves booked to that location in the McDaniel's report.

"Capital efficiency" is used as a measure of effectiveness of the capital expenditure program. The capital efficiency calculation includes all capital expenditures for the booked location in the McDaniel's report divided by the average production rate over the first twelve months (IP365) from a proved plus probable location booked in the McDaniel's report.

"Cash costs" are comprised of production and operating, transportation, general and administrative, and cash finance expense as detailed below. Cash costs per boe is calculated by dividing cash costs by total production sold in the period. Management believes that cash costs assist management and investors in assessing Perpetual's efficiency and overall cost structure.

"Operating costs". "Unit operating costs" or "Op Costs" is comprised of operating expense, as determined in accordance with IFRS, divided by the Company's total sales production.

Oil and Gas Advisories

The presentation refers to F&D (finding and development costs), ROR (rate of return), payout and recycle ratio which have been prepared by management and are used to measure performance. These terms do not have standardized meanings or standard calculations and are not comparable to similar measures used by other entities. In this presentation, internal rate of return refers to the discount rate that makes the net present value of all cash flows of a project equal zero and payout refers to the time required to pay back the capital expenditures (on a before tax basis) of a project. The presentation also refers to capital efficiency which is defined as a type of capital efficiency that measures the cost to add an incremental barrel of flowing production. Specifically, for the average production efficiencies of our plays, Perpetual uses the total actual/projected drill, complete and tie-in capital divided by the total of the well initial twelve-month production rate.

Reserve Estimates

The reserves estimates contained in this presentation with respect to Perpetual represent Perpetual's gross reserves as at December 31, 2022 and are defined under NI 51-101, as our interest before deduction of royalties and without including any of our royalty interests. The present worth of estimated future net revenues is estimated using January 1, 2023 "Three Consultant Average Pricing" and March 1, 2023 forward market pricing as indicated. It should not be assumed that the present worth of estimated future net revenues represents the fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserves estimates of our crude oil, NGL and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and NGL reserves may be greater than or less than the estimates provided herein.

All future net revenues are estimated using forecast prices, arising from the anticipated development and production of our reserves, net of the associated royalties, operating costs, development costs, and decommissioning obligations and are stated prior to provision for finance and general and administrative expenses. Future net revenues have been presented on a before tax basis. Estimated values of future net revenue disclosed herein do not represent fair market value.

The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Reserve-based Net Asset Value

Estimated reserve-based net asset value ("NAV") is based on the estimated NPV10 of all future net revenue from our proved plus probable reserves, before tax, as estimated by McDaniel at December 31, 2022, using the Three Consultant Average Prices as of January 1, 2023 pricing with the estimated value of our undeveloped land, and less December 31, 2022 net debt including mark to market cost of risk management and market diversification contracts. Common share values in our NAV per share metric are calculated using common shares outstanding, net of shares held in trust.

Drilling Locations

This presentation discloses Perpetual's drilling locations as of January 1, 2023, in two categories: (i) booked locations (also referred to as "PPUD locations" which includes "proved undeveloped locations" and "proved plus probable undeveloped" locations) and (ii) unbooked locations. Booked locations are proved and probable locations, are derived from the McDaniel Reserve Report and account for drilling locations that have associated proved and/or probable reserves, as applicable, and have not yet been drilled. "PPUD" means locations that have been booked in the proved plus probable undeveloped category in the McDaniel Reserve Report. Unbooked drilling locations are the internal estimates of Perpetual based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources (including contingent and prospective). Unbooked locations have been identified by Perpetual's management as an estimation of Perpetual's multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information.

Of the approximately 113 (83.1 net) drilling locations identified herein 43 (27.1 net) are booked locations, and 70 (56.0 net) are unbooked locations.

There is no certainty that Perpetual will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and natural gas reserves, resources or production. The drilling locations on which Perpetual will actually drill wells, including the number and timing thereof is ultimately dependent upon the availability of funding, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While a certain number of the unbooked drilling locations have been de-risked by Perpetual by drilling existing wells in relative close proximity to such unbooked drilling locations, the majority of other unbooked drilling locations are farther away from existing wells where management of Perpetual has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.

Oil and Gas Metrics

This presentation contains certain oil and gas metrics which do not have standardized meanings or standard methods of calculation and therefore such measures may not be comparable to similar measures used by other companies and should not be used to make comparisons. Such metrics have been included in this document to provide readers with additional measures to evaluate Perpetual's performance; however, such measures are not reliable indicators of Perpetual's future performance and future performance may not compare to Perpetual's performance in previous periods and therefore such metrics should not be unduly relied upon.

BOE Equivalents

Perpetual's proved and probable reserves are reported in barrels of oil equivalent (boe). Boe may be misleading, particularly if used in isolation. In accordance with NI 51-101 a boe conversion ratio for natural gas of 6 Mcf: 1 boe has been used, which is based on an energy equivalency conversion method primarily applicable at the burner tip and does not necessarily represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

Initial Production Rates

Any references in this presentation to initial production rates or IP30 (30 day initial production) rates are useful in confirming the presence of hydrocarbons; however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter and are not necessarily indicative of long-term performance or ultimate recovery. Readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company. Such rates are based on field estimates and may be based on limited data available at this time.

Abbreviations

The following abbreviations used in this presentation have the meanings set forth below:

bbls	barrels
bbl/d	barrels per day
MMbbl/d	millions barrel per day
boe	barrels of oil equivalent
boe/d	barrels of oil equivalent per day
Mboe	thousand of barrels of oil equivalent
Mcf	thousand cubic feet
MMcf	million cubic feet
MMcf/d	million cubic feet per day
Bcfe	billion cubic feet equivalent
GJ	gigajoules
MMBtu/d	metric million british thermal units per day
TVD	true vertical depth
JV	joint venture
G&A	general and administrative costs
ESG	environmental, social and governance
YOY	year over year
WCS	western Canadian select price
NGL	natural gas liquids

Slide 2

1. Adjusted funds flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
2. Adjusted funds flow per share is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
3. Net debt is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
4. Net debt to TTM adjusted funds flow is a non-GAAP ratio. See "Non-GAAP and other Financial Measures" in Advisories
5. Free cash flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories

Slide 3

1. Adjusted funds flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories

Slide 4

1. Market capitalization is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
2. Adjusted working capital deficiency is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
3. Net debt is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
4. Enterprise value is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories

Slide 5

1. See "Drilling Locations" in the Advisories
2. "McDaniel" means McDaniel Associates Consultants Ltd independent qualified reserves evaluators
3. "McDaniel Reserve Report" means the independent engineering evaluation of the crude oil, natural gas and NGL reserves, prepared by McDaniel with an effective date of December 31, 2022 and a preparation date of March 2, 2023
4. "PPUD" means locations that have been booked in the proved plus probable undeveloped category in the McDaniel Reserve Report
5. "P+P" or "TPP" means locations that have been booked in the proved plus probable category in the McDaniel Reserve Report
6. Assumptions and economics are based on the McDaniel Reserve Report as disclosed in the Company's Annual Information Form, which is available under the Company's profile on SEDAR at www.sedar.com, using the January 1, 2023 Consultants Average Price Forecast
7. "NPV 10" is net present value using a 10% discount rate
8. ROR is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
9. "DPIIP" or "Discovered Petroleum Initially In Place" means the quantity of petroleum which is estimated to be contained in known accumulations, plus those quantities already produced therefrom

Slide 6

1. See "Drilling Locations" in the Advisories
2. Free funds flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
3. "McDaniel" means McDaniel Associates Consultants Ltd independent qualified reserves evaluators
4. "McDaniel Reserve Report" means the independent engineering evaluation of the crude oil, natural gas and NGL reserves, prepared by McDaniel with an effective date of December 31, 2022 and a preparation date of March 2, 2023
5. The "McDaniel YE 2022 TPP Type Curve" assumptions and economics are based on the Total Proved Plus Probable Undeveloped reserves contained in the McDaniel Reserve Report as disclosed in the Company's Annual Information Form which is available under the Company's profile on SEDAR at www.sedar.com using the January 1, 2023 Consultants Average Price Forecast
6. "2P Reserves" are based on the Total Proved Plus Probable reserves per well contained in the McDaniel Reserve Report
7. Capital is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
8. Operating costs per boe is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
9. "NPV 10" is net present value using a 10% discount rate
10. Recycle ratio is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
11. Payout is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
12. Capital Efficiency is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
13. ROR is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
14. F&D is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
15. "PPUD" means locations that have been booked in the proved plus probable undeveloped category in the McDaniel Reserve Report

Slide 7

1. See "Drilling Locations" in the Advisories
2. Capital spending and capital investment are non-GAAP measures. See "Non-GAAP and Other Financial Measures" in the Advisories
3. Payout is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
4. Recycle ratio is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
5. Free funds flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
6. Operating costs per boe is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
7. Operating netback is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
8. "PDP" means locations that have been booked in the proved developed producing category in the McDaniel Reserve Report
9. "PPUD" means locations that have been booked in the proved plus probable undeveloped category in the McDaniel Reserve Report
10. "McDaniel" means McDaniel Associates Consultants Ltd independent qualified reserves evaluators
11. "McDaniel Reserve Report" means the independent engineering evaluation of the crude oil, natural gas and NGL reserves, prepared by McDaniel with an effective date of December 31 2022 and a preparation date of March 2, 2023
12. "TPP Reserves" assumptions and economics are based on the Total Proved Plus Probable reserves contained in the McDaniel Reserve Report as disclosed in the Company's Annual Information Form which is available under the Company's profile on SEDAR at www.sedar.com, using the January 1, 2023 Consultants Average Price Forecast and the March 1, 2023 forward strip price forecast
13. "Developed (P+PDV)" means locations that have been booked in the proved plus probable developed category in the McDaniel Reserve Report
14. "Undeveloped (P+PUD)" means locations that have been booked in the proved plus probable undeveloped category in the McDaniel Reserve Report
15. "Total Reserves" is Developed (P+PDV) plus Undeveloped (P+PUD)
16. "NPV 10" and "NPV 15" is net present value using a 10% discount rate and 15% discount rate
17. "Reserve Value" is Total Reserves less Non-Reserve ARO
18. "Non-Reserve ARO" is asset retirement obligations for non-producing wells that are not included in the Reserve Report.

Slide 8

1. See "Drilling Locations" in the Advisories
2. Operating costs or op costs is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
3. "EOR" is enhanced oil recovery
4. "DPIIP" or "Discovered Petroleum Initially In Place" means the quantity of petroleum which is estimated to be contained in known accumulations, plus those quantities already produced therefrom
5. "TPP Reserves" assumptions are based on the Total Proved Plus Probable reserves contained in the McDaniel Reserve Report as disclosed in the Company's Annual Information Form which is available under the Company's profile on SEDAR at www.sedar.com
6. "McDaniel" means McDaniel Associates Consultants Ltd independent qualified reserves evaluators
7. "McDaniel Reserve Report" means the independent engineering evaluation of the crude oil, natural gas and NGL reserves, prepared by McDaniel with an effective date of December 31 2022 and a preparation date of March 2, 2023

Slide 9

1. Capital is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
2. Free funds flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
3. Operating netback is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
4. Operating costs is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
5. "McDaniel" means McDaniel Associates Consultants Ltd independent qualified reserves evaluators
6. "McDaniel Reserve Report" means the independent engineering evaluation of the crude oil, natural gas and NGL reserves, prepared by McDaniel with an effective date of December 31, 2022 and a preparation date of March 2, 2023
7. "TPP Reserves" assumptions and economics are based on the Total Proved Plus Probable reserves contained in the McDaniel Reserve Report as disclosed in the Company's Annual Information Form which is available under the Company's profile on SEDAR at www.sedar.com using the January 1, 2023 Consultants Average Price Forecast and the March 1, 2023 forward strip price forecast
8. "Developed (P+PDV)" means locations that have been booked in the proved plus probable developed category in the McDaniel Reserve
9. "Undeveloped (P+PUD)" means locations that have been booked in the proved plus probable undeveloped category in the McDaniel Reserve Report
10. "Total Reserves" is Developed (P+PDV) plus Undeveloped (P+PUD)
11. "Reserve Value" is Total Reserves less Non-Reserve ARO
12. "Non-Reserve ARO" is asset retirement obligations for non-producing wells that are not included in the Reserve Report.
13. "NPV 10" and "NPV 15" is net present value using a 10% discount rate and 15% discount rate

Slide Notes

Slide 10

1. "DPIIP" or "Discovered Petroleum Initially In Place" means the quantity of petroleum which is estimated to be contained in known accumulations, plus those quantities already produced therefrom

Slide 13

1. E&D capital activity or expenditures is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
2. Capital spending or activity is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
3. Cash costs is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
4. Adjusted funds flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
5. Free funds flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories

Slide 15

1. Operating netback is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
2. Adjusted funds flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
3. Capital spending is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
4. Free funds flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories

Slide 16

1. Net debt is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
2. Adjusted funds flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
3. Available liquidity is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
4. Adjusted working capital is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
5. Net debt to adjusted funds flow ratio or net debt to TTM adjusted funds flow is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
6. Capital is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories

Slide 17

1. Capital is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
2. Adjusted funds flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
3. Commodity price and currency risk management contracts layered in for 2023/2024 as at May 9, 2023

Commodity	Volumes (bbl/d)	Term	Reference/Index	Average Price (\$/bbl)
Crude Oil	100	Jan 1, 2023 - Dec 31, 2023	WTI (USD\$/bbl)	\$89.15
Crude Oil	200	Apr 1, 2023 - Dec 31, 2023	WTI (USD\$/bbl)	\$77.40
Crude Oil	200	May 1, 2023 - Dec 31, 2023	WTI (USD\$/bbl)	\$78.95
Crude Oil	100	Jan 1, 2023 - Dec 31, 2023	WCS Diff (CAD\$/bbl)	(\$17.30)
Crude Oil	450	Apr 1, 2023 - Dec 31, 2023	WCS Diff (USD\$/bbl)	(\$17.43)
Crude Oil	100	Jul 1, 2023 - Dec 31, 2023	WCS Diff (USD\$/bbl)	(\$16.20)
Crude Oil	250	Jan 1, 2024 - Dec 31, 2024	WCS Diff (USD\$/bbl)	(\$17.50)
Crude Oil	100	Jan 1, 2024 - Dec 31, 2024	WCS Diff (USD\$/bbl)	(\$14.65)
Commodity	Volumes (bbl/d)	Term	Reference/Index	Average Price (\$/GJ)
Natural Gas	5,000	Nov 1, 2023 - Mar 31, 2024	AECO (CAD\$/GJ)	\$3.42
Natural Gas	5,000	Apr 1, 2024 - Oct 31, 2024	AECO (CAD\$/GJ)	\$3.00
Commodity	US\$/month	Term	Forward Rate	Total CAD\$
Currency	\$200,000.00	Jan 1, 2023 - Dec 31, 2023	\$1.30	\$3,126,960.00
Currency	\$500,000.00	Jan 1, 2023 - Dec 31, 2023	\$1.37	\$8,226,000.00
Currency	\$250,000.00	Jan 1, 2023 - Dec 31, 2023	\$1.36	\$4,080,000.00
Currency	\$250,000.00	Apr 1, 2023 - Dec 31, 2023	\$1.37	\$3,082,500.00

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1. Adjusted funds flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories

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1. Net asset value ("NAV") is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
2. NAV per share is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures" in the Advisories
3. "TPP Reserves" assumptions and economics are based on the Total Proved Plus Probable reserves contained in the McDaniel Reserve Report as disclosed in the Company's Annual Information Form which is available under the Company's profile on SEDAR at www.sedar.com using the January 1, 2023 Consultants Average Price Forecast
4. "McDaniel" means McDaniel Associates Consultants Ltd independent qualified reserves evaluators
5. "McDaniel Reserve Report" means the independent engineering evaluation of the crude oil, natural gas and NGL reserves, prepared by McDaniel with an effective date of December 31, 2022 and a preparation date of March 2, 2023
6. "Reserve-Based NAV" assumptions and economics are based on the Total Proved Plus Probable reserves contained in the McDaniel Reserve Report as disclosed in the Company's Annual Information Form which is available under the Company's profile on SEDAR at www.sedar.com, using the January 1, 2023 Consultants Average Price Forecast
7. "NPV 10" is net present value using a 10% discount rate
8. "Total P+PDV" is proved plus probable developed means locations that have been booked in the proved plus probable developed category in the McDaniel Reserve Report
9. "Total P+PUD" means locations that have been booked in the proved plus probable undeveloped category in the McDaniel Reserve Report
10. Adjusted working capital deficit is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
11. "Non-Reserve ARO" is asset retirement obligations for non-producing wells that are not included in the Reserve Report.

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1. Free funds flow is a non-GAAP measure. See "Non-GAAP and Other Financial Measures" in the Advisories
2. "Reserve-Based NAV" assumptions and economics are based on the Total Proved Plus Probable reserves contained in the McDaniel Reserve Report as disclosed in the Company's Annual Information Form which is available under the Company's profile on SEDAR at www.sedar.com, using the January 1, 2023 Consultants Average Price Forecast