

## Quarterly Activities & Cash Flow Report 30 September 2021 (ASX:CE1)

### Calima Energy Limited

ABN: 17 117 227 086

ASX Code: CE1

Calima is a free cash flow and growth focused Canadian Oil and Gas Producer and Explorer

### Directors & Management

Glenn Whiddon (Chairman)  
Jordan Kevol (Managing Director)  
Mark Freeman (Finance Director)  
Brett Lawrence (NED)  
P.L. Tetley (NED)  
Braydin Brosseau (CFO)

### Capital Structure

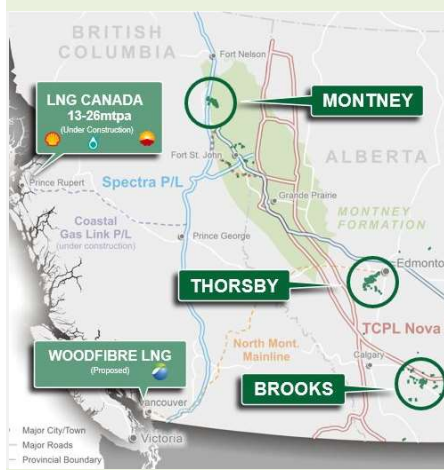
ASX Code	CE1
Share Price	0.23 cents
Shares	514 million
Market Cap	A\$129 million
Cash	\$1.9 million
Net debt	A\$22.1 million
Options	
\$1.80 exp 25/8/22	0.5 million
\$2.40 exp 25/8/22	0.5 million
0.20c exp 30/4/2024	2.5 million
0.20c exp 30/4/2026	18.1 million
Performance S/h	8.3 million

### Upcoming conference call timing:

- Wed 3 Nov 2021 @ 10:30 am (Perth)
- Wed 3 Nov 2021 @ 1:30 pm (Sydney)
- Tues 2 Nov 2021 @ 8:30 pm (Calgary)

Join Zoom Meeting

<https://us02web.zoom.us/j/88188363623?pwd=RjJMTjU0amx5a3J1eFM4TkQ2Mng1UT09>



Calima Energy Limited (ASX: CE1) ("Calima") is pleased to provide the following summary of activities for the three months ended 30 September 2021.

Calima is a production-focused energy company pursuing the exploration and development of oil and natural gas assets in the Western Canadian Sedimentary Basin. The Company is currently developing its oil plays at Brooks and Thorsby in southern and central Alberta. Additionally, Calima owns a significant undeveloped Montney acreage position at Tommy Lakes in north-eastern British Columbia.

Calima (the "Calima Group" or "the Company") is dedicated to responsible corporate practices, and places high value on adhering to strong Environmental, Social and Governance ("ESG") principles. The Company is committed to establishing and executing an ESG strategy that will both serve its stakeholders and seek to enhance long-term value creation.

## HIGHLIGHTS

- Production** – For the quarter ended 30 September 2021, the Company produced **302,653 boe** (gross) of oil and natural gas, averaging **3,290 boe/d**. YTD the Company has produced 485,009 boe (gross) of oil and natural gas, averaging 3,156 boe/d.
- Quarterly sales and earnings** – For the quarter ended 30 September 2021 oil and natural gas sales were A\$17.8 million and the Company delivered Adjusted EBITDA<sup>1</sup> of approximately A\$8.4 million. YTD oil and natural gas sales were A\$28.1 million and Adjusted EBITDA<sup>1</sup> was approximately A\$12.3 million.
- Energy Prices** – The benchmark price for oil averaged US\$70.56/bbl WTI, C\$71.79/bbl WCS and C\$3.41/GJ AECO, reflective of improved demand fundamentals for both oil and natural gas in North America in response to ongoing recoveries from the COVID-19 pandemic.
- Capital investments** – For the quarter ended 30 September 2021, the Company drilled three Sparky Formation wells in the Thorsby area. Completion activities commenced in early October and the wells are targeted to be on stream in mid-November 2021. Since the Blackspur Acquisition, the Company has also drilled and brought on stream four Gemini Brooks Sunburst wells.
- 2022 forecast** – Calima is planning a 2022 capital investment program of C\$35 million for continued development of the Brooks and Thorsby oil assets. The Company plans to drill 3 Glauconitic and 4 Sunburst wells at Brooks and 5.5 net Sparky wells at Thorsby, targeting average production of 5,500 boe/d in 2022.
- Montney strategic review** – The Company initiated a process with Peters & Co. in respect of a development, partnership, farm-out, or outright sale of the 60,000 acres of Montney rights held in the Tommy Lakes area of British Columbia.
- Share consolidation** – On 10 September 2021, the Company completed a 20:1 share consolidation. The consolidation has successfully reduced arbitrage trading and the Company is very pleased with the results to date.

(1) Refer to Advisories & Guidance for additional information regarding the Company's GAAP and non-GAAP financial measures.

## KEY PERFORMANCE METRICS

	Three months ended		Nine months ended	
(A\$ thousands except boe amounts)	30 Sept 2021		30 Sept 2021	
Sales volumes (gross boe) <sup>(1)</sup>	302,653		485,009	
Sales volumes (boe/d) <sup>(1)</sup>	3,290		3,156	
Oil and natural gas sales	\$	17,809	\$	28,110
Adjusted EBITDA <sup>(2)</sup>	\$	8,355	\$	12,285
Capital investments	\$	10,842	\$	15,928
Available funding <sup>(2)</sup>	\$	5,289	\$	5,289
Net debt <sup>(2)</sup>	\$	22,058	\$	22,058

(1) Sales volumes for the nine months ended 30 September 2021 primarily reflects 153 days of production from Blackspur following the acquisition on 30 April 2021. Blackspur sales volumes reported on a boe/d basis in the table above have been averaged over 153 days.

(2) Refer to Advisories and Guidance for additional information regarding the Company's GAAP and non-GAAP financial measures.

## OUTLOOK

The following table summarises the Company's current outlook as at 30 September 2021 for the remainder of 2021 and for the year ending 31 December 2022:

Forecast	May – December 2021 <sup>(1)</sup>		Full year 2022 <sup>(2)</sup>	
Exit production (boe/d)	4,500		5,600	
Average production (boe/d) <sup>(1)(2)</sup>	3,400		5,500	
Adjusted EBITDA (C\$ millions) <sup>(3)(4)</sup>	\$	26	\$	66
Capital expenditures (C\$ millions)	\$	22	\$	35
Exit (net debt) / adjusted working capital <sup>(4)</sup> (C\$ millions)	\$	(18)	\$	14

(1) 2021 average production of 3,400 boe/d based on current PDP and financial results year-to-date production and the 3 new wells at Thorsby (Sparky) at US\$82/bbl WTI, -US\$13.60 WTI/WCS differential, C\$5.60/gj AECO, 1.24 CAD/USD for the fourth quarter of 2021.

(2) 2022 average production of 5,500 boe/d based on current PDP production, plus production additions from 2021 drilling as stated above, plus production additions from drilling 12.5 (net) wells at Brooks (Sunburst & Glauconitic) and Thorsby (Sparky) in 2022 at US\$70/bbl WTI, -US\$13.50 WTI/WCS differential, ~C\$3.50/gj AECO, 1.23 CAD/USD.

(3) EBITDA is adjusted for May-Dec 2021 expected realised hedging losses of C\$8.0 million. EBITDA is based on commodity prices stated above, corporate average royalty rates of 18%, and operating costs and G&A assumptions that are based off historical financial performance. Interest and taxes are cashflow items excluded from EBITDA and estimated at C\$0.5 million for May – Dec 2021.

(4) Refer to Advisories and Guidance for additional information regarding the Company's GAAP and non-GAAP financial measures.

In August, the Company commenced a 3 well drilling program in the Thorsby area targeting the Sparky Formation. Drilling activities were substantially complete by the end of the third quarter. These development wells are expected to be completed and brought on stream in mid-November 2021 with first revenue received in December 2021 which will lower net debt by year end..

Calima anticipates 31 December 2021 exit production will be ~4,500 boe/d. The Company expects average 2021 production of 3,400 boe/d which reflects a moderate timing deferral of the 3 Thorsby wells on stream in the fourth quarter primarily due to delays stemming from service rig availability.

The Company's development plans for the remainder of 2021 consists of C\$7 million to be invested in the Brooks and Thorsby areas. The fourth quarter budget includes the completion and equipping costs for the three Thorsby wells in addition to the Brooks Sunburst J2J pool waterflood, workovers and maintenance capital on existing assets. Compared to previous guidance, the Company's capital investment program reflects a 10% increase primarily due to cost overages experienced during the drilling of Leo #1 well as a result of downhole directional geometry adjustments.

The Company expects to exit 2021 with net debt of C\$18 million, a reduction of approximately C\$2 million compared to the third quarter of 2021. Compared to the Company's previous exit guidance of C\$11 million, the higher net debt primarily reflects the impact of the Company's additional capital expenditures, moderate deferral of the Thorsby wells coming on stream, higher royalty rates, operating cost escalation experienced during the year and hedging losses as a result of higher realized commodity prices.

For 2022, the drilling and development program is expected to be approximately C\$35 million. The Company plans to drill 3 Glauconitic and 4 Sunburst wells at Brooks and 6 (5.5 net) Sparky wells at Thorsby, targeting an average production of 5,500 boe/d in 2022. The Company plans to finalise the 2022 capital budget in the fourth quarter of 2021.

Adjusted EBITDA for the year ended 31 December 2021 is forecasted at C\$26 million and C\$66 million for 2022.

## PRODUCTION, SALES & COMMODITY PRICING

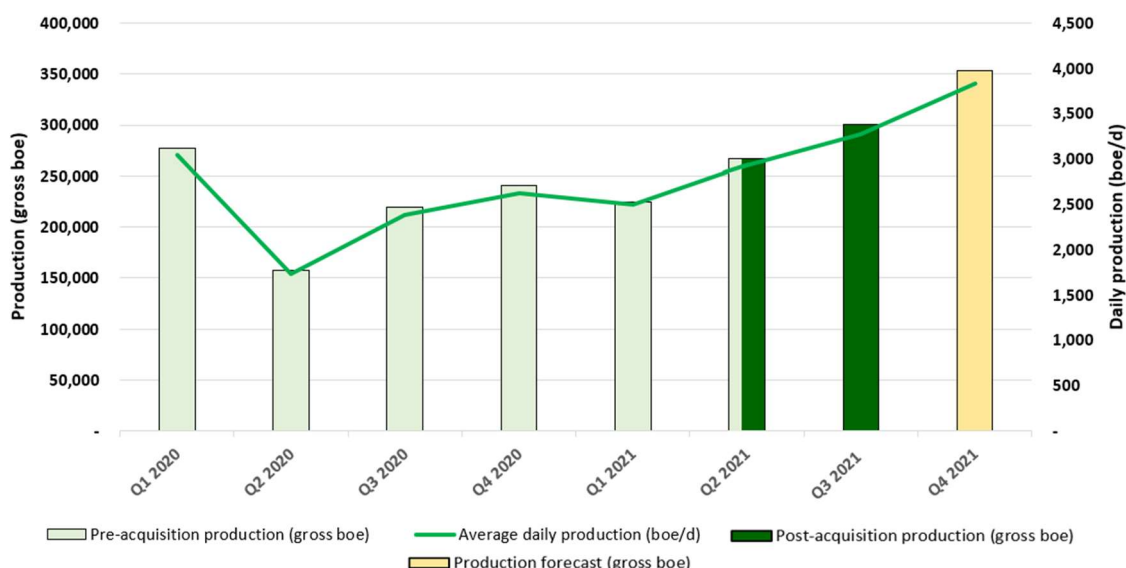
### Gross Production (before royalties)

	Three months ended	Nine months ended
	30 Sept 2021	30 Sept 2021
Oil (bbl)	187,866	303,770
Natural gas (Mcf)	645,507	1,025,964
Natural gas liquids (bbl)	7,202	10,245
Total sales volume (boe)	302,653	485,009
Average daily sales volume (boe/d) <sup>(1)</sup>	3,290	3,156
Liquids percentage	64%	65%

(1) Sales volumes for the nine months ended 30 September 2021 primarily reflects 153 days of contributions from Blackspur following the acquisition on 30 April 2021. Blackspur sales volumes reported on a boe/d basis have been averaged over 153 days.

YTD the Company produced an average of 3,156 boe/d of oil and natural gas from the Brooks (70%) and Thorsby (30%) assets for the months of May through September 2021. The Company's sales for the 3<sup>rd</sup> quarter increased to an average of 3,290 boe/d (up 10%), compared to 2,959 boe/d during the second quarter of 2021, reflecting higher average sales volumes as a result of the Company's 4 new Gemini wells that were brought on stream in late June and July as well as the results of ongoing workover activities on existing producing wells.

**Blackspur Production Summary**



### Commodity prices

	Three months ended	Nine months ended
Average benchmark commodity prices & FX rates	30 Sept 2021	30 Sept 2021
WTI (US\$/bbl) – US Dollars	\$ 70.56	\$ 64.81
WTI (C\$/bbl) – Canadian Dollars	\$ 88.91	\$ 81.01
WCS (C\$/bbl) - Canadian Dollars	\$ 71.79	\$ 65.39
AECO (C\$/Mcf) - Canadian Dollars	\$ 3.41	\$ 3.20
Foreign exchange (USD/CAD)	1.26	1.25
Foreign exchange (AUD/CAD)	0.93	0.95

The price of West Texas Intermediate (WTI) at Cushing, Oklahoma is the primary benchmark for crude oil pricing in North America. The price that the Company receives for its oil production is primarily based on the Western Canadian Select (WCS) benchmark price, which is driven by local supply and demand and the price of WTI, adjusted for changes in foreign exchange rates, transportation and quality differentials. The majority of the Company's oil production is delivered and sold in central and southern Alberta at local oil terminals near the Brooks and Thorsby assets.

During the third quarter of 2021, the WCS price averaged C\$71.79/bbl compared to C\$66.99/bbl during the second quarter of 2021 and C\$57.44/bbl in Q1. Crude oil prices have strengthened throughout 2021 driven by the global rollout of a COVID-19 vaccine. Northern American crude oil inventories were drawn down for much of the second and third quarters as a result of higher demand for oil as Government restrictions were lifted and economies re-opened. The foreign oil supply policy applied by OPEC+ has also been constructive for oil prices in the first nine months of the year.

Compared to the second quarter, oil benchmarks improved in the third quarter as continued North American crude oil inventory draws and a hurricane in the Gulf of Mexico outweighed the negative impact of concerns regarding the ongoing spread of the COVID-19 Delta variant. WCS differentials have also improved moderately in the anticipation of Enbridge's Line 3 replacement coming online in the fourth quarter of 2021.

The Company sells its natural gas into the local NGTL system in southern Alberta. Accordingly, the AECO price is the primary benchmark for the Company's natural gas sales. AECO prices have been strong in 2021 with robust demand fundamentals for natural gas in Alberta, primarily to service oil sands production, the expanding petrochemical industry and power generation.

Lower gas supply as a result of curtailed North American investments in natural gas developments in response to COVID-19, combined with cold weather forecasts for the upcoming winter, are expected to be constructive for natural gas benchmark prices in the near term.

### Oil and natural gas sales

	Three months ended		Nine months ended	
(A\$ thousands)	30 Sept 2021		30 Sept 2021	
<b>Oil and natural gas sales</b>				
Oil	\$	14,737	\$	23,494
Natural gas	\$	2,667	\$	4,065
Natural gas liquids	\$	405	\$	551
	\$	17,809	\$	28,110
<b>Realised prices</b>				
Oil (A\$/bbl)	\$	78.44	\$	77.34
Natural gas (A\$/Mcf)	\$	4.13	\$	3.96
Natural gas liquids (A\$/bbl)	\$	56.37	\$	53.82

During the three and nine months ended 30 September 2021, the Company recognised oil and natural gas sales of A\$17.8 million and A\$28.1 million, respectively.

The Company receives a premium for its oil relative to the WCS benchmark price which is primarily due to a higher quality of oil brought to market compared to the quoted benchmark price.

The Company's natural gas is processed primarily at third-party shallow cut facilities. The Company also receives a premium for its natural gas relative to the AECO benchmark which is largely due to a higher concentration of liquids in the gas stream and, therefore, has a higher relative heat content compared to the quoted benchmark price (sold in gigajoules).

### CAPITAL INVESTMENTS

	Three months ended		Nine months ended	
(A\$ thousands)	30 Sept 2021		30 Sept 2021	
Drilling and completion	\$	8,065	\$	11,918
Equipping, tie-in and facilities	\$	1,675	\$	2,622
Land and other <sup>(1)</sup>	\$	1,102	\$	1,388
Total investment in oil and natural gas assets	\$	10,842	\$	15,928

(1) Primarily consists of land acquisitions and geological and geophysical activities.

## Drilling and completion

The following table summarises the results of the Company's 7 well program as at 30 September, 2021:

Area	Well name & unique location identifier	Target formation	Spud Date	Drill days	Lateral length (m)	On Production	Status as at 30 Sept 2021
Brooks	Gemini #1 - 02/10-29-19-13W4	Sunburst	31/5/21	10	837	26/6/21	Producing
Brooks	Gemini #2 - 03/04-29-19-13W4	Sunburst	8/6/21	5	482	24/6/21	Producing
Brooks	Gemini #3 - 00/03-22-18-14W4	Sunburst	19/6/21	7	622	16/7/21	Producing
Brooks	Gemini #4 - 03/06-06-18-09W4	Sunburst	27/6/21	9	1,864	28/7/21	Producing
Thorsby	Leo #1 - 03/06-07-050-01W5	Sparky	28/7/21	29	2,253	On stream Q4	Awaiting tie-in
Thorsby	Leo #2 - 02/06-07-050-01W5	Sparky	27/8/21	11	2,055	On stream Q4	Awaiting tie-in
Thorsby	Leo #3 - 00/15-06-050-01W5	Sparky	7/9/21	17	2,153	On stream Q4	Awaiting tie-in

During the third quarter, the Company invested A\$10.8 million in respect of the ongoing oil development programs at Brooks and Thorsby. A\$8.1 million was directed towards the 3 wells in the Thorsby area targeting the Sparky Formation. Completion activities on the 3 wells commenced during the fourth quarter of 2021 and the wells are anticipated to be on stream in mid-November 2021.

Year to date, the Company also drilled, completed, and brought on production 4 Sunburst Formation wells in the Brooks area. 2 of the 4 wells were on stream in late June with the other 2 wells completed and brought on stream in July. Combined average production from the four wells were in-line with type curve expectations.

## Equipping, tie-in and facilities

Year to date Calima has invested A\$2.6 million on tangible equipment primarily in respect of hydrocarbon production handling and gathering system infrastructure to support the Company's seven new wells drilled during the period.

## Waterflood and workover activities

The Company is continuing its progress on the waterflood development in the Brooks Sunburst J2J pool. During the third quarter of 2021, the Company invested A\$0.4 million to recompleate 2 wells that will provide additional source water and injection capacity to support the waterflood initiative. The Company expects to ramp-up waterflood activities in the fourth quarter of 2021. The Company successfully executed a routine two-day turnaround at its 02-29 oil battery facility which is expected to maintain the facility's strong operational run-times. Calima also completed economic workover projects on 4.5 net wells during the third quarter resulting in increased hydrocarbon production on existing wells of approximately 125 boe/d.

## LIQUIDITY & HEDGING

### Liquidity

As at 30 September 2021, the Calima Group had available funding of A\$5.3 million which primarily consisted of available credit under the National Bank of Canada revolving credit facility, partially offset by the Company's working capital deficit at the end of the quarter. The Company's net debt was A\$(22.1) million compared to A\$(16.4) million as at June 30, 2021. Net debt reductions are expected in the fourth quarter of 2021 once the Thorsby wells are brought on stream in mid-November 2021. The increase in net debt during the third quarter of 2021 was primarily due to cash investment outlays for the Company's 3 well drilling program at Thorsby.

### Hedging

The Company's risk management portfolio consists of instruments that are intended to mitigate Calima's exposure to commodity price risks in the Western Canadian Sedimentary Basin, consisting primarily of the US\$ WTI benchmark price and the C\$ WCS differential to WTI. Calima executes a risk management program which is designed to limit downside exposure to market volatility, ensure a sufficient level of cash flows to service debt obligations and ensure capital is available to fund the Company's development and operational programs.

In the current energy price cycle, it is intended that post payout production will be unhedged and provide exposure to commodity price volatility, subject to National Bank's requirement to hedge 50% of volumes (net of royalties) for the forward 12-month period should drawdowns under the facility exceed 50% over an extended period.

In a rising energy cycle, hedging losses will occur on that portion of the production hedged; however, with hedges set on a staggered basis as capital is committed, the Company views this strategy as an appropriate safeguard for the balance sheet to limit downside risk.



Calima generally hedges oil price exposure on a forward rolling one year basis. The Company's current policy is to hedge ~ 50% of forecast oil production (net of royalties) for the upcoming four quarters. Upon committing capital to drill a well, the Company will hedge sufficient volume (~5 - 7 months) to secure the pay-out of the well. Below is a summary of the hedge strategy as at September 30, 2021:

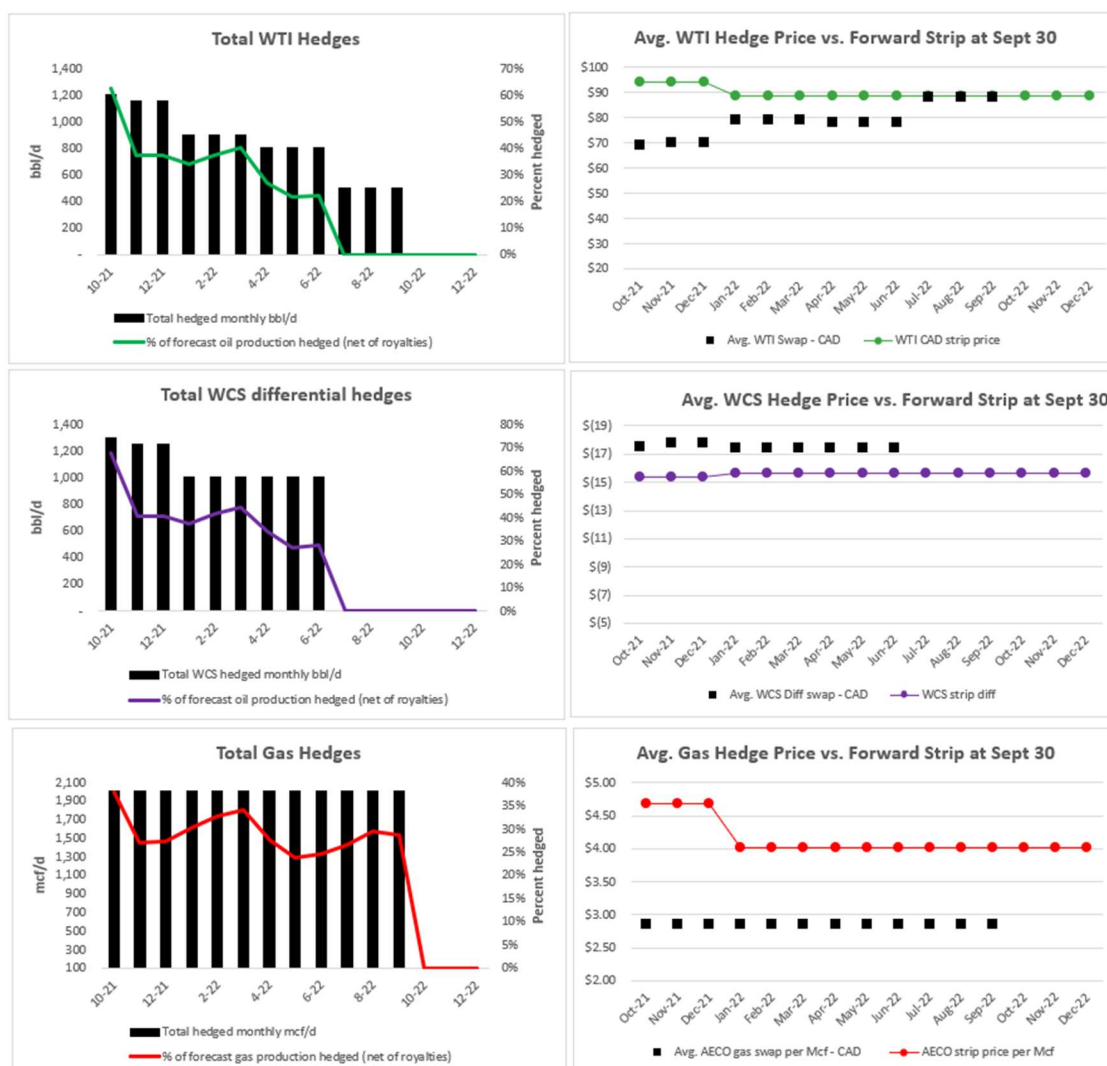
1. The Company had ~50% of base production volumes (net of royalty volumes) hedged for Q4 2021 (see graphs below). Many of these swaps were put in place in prior to the acquisition and will roll off over the coming months.
2. Approximately 35% of base production volumes (net of royalty volumes) are hedged for H1 2022 and 20% of base production volumes (net of royalties) for H2 2022 on a WTI basis, leaving ample opportunity to layer on WTI hedges at higher prices and as production comes on stream.
3. Approximately 35% of base production volumes (net of royalty volumes) are hedged for H1 2022 and nil for H2 2022 on a WCS differential basis, leaving ample opportunity to layer on additional WCS differential hedges. Subsequent to 30 September 2021, the Company has layered in additional WCS differential swaps to match the WTI hedge position.

Going forward, as production increases and as drilling locations are committed to, additional WTI and WCS differential hedges will be layered in to reduce the impact of the WCS differential widening, or the price of WTI decreasing. The Company's risk management contracts consisted of the following position as at 30 September 2021:

Term <sup>(1)</sup>	C\$ WTI Swaps		C\$ WCS/WTI Differential Swaps		C\$ AEEO Swaps	
	bbl/d	C\$/bbl	bbl/d	C\$/bbl	Gj/d	C\$/Gj
2021 (October - December)	1,167	\$ 69.77	1,267	\$ (17.66)	1,900	2.70
2022 (January - December)	472	\$ 79.65	496	\$ (17.44)	1,421	2.70

(1) Weighted average volumes and prices are presented over the number days in the period (92 days in 2021 and 365 days in 2022).

The following tables summarises the Calima's Group's hedge positions as at 30 September 2021:



## EXPLORATION & DEVELOPMENT

### Brooks

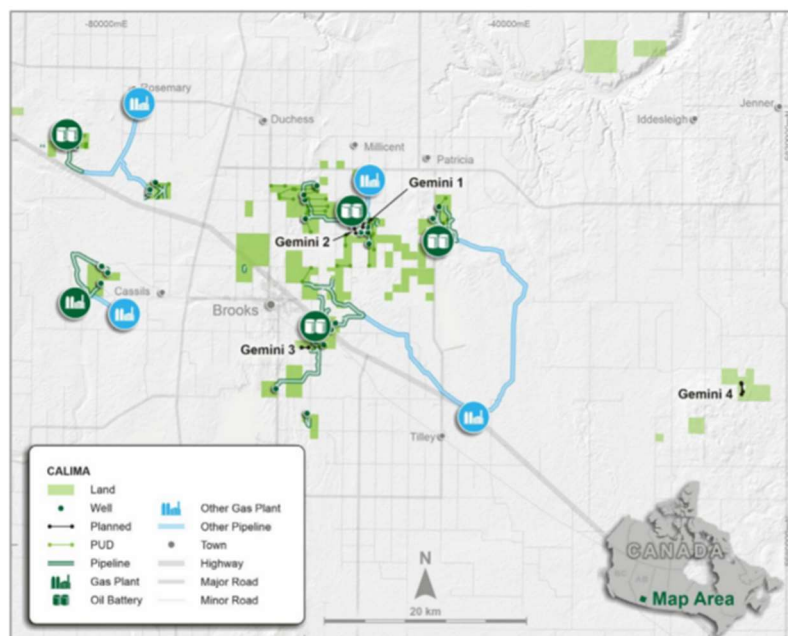
Brooks asset overview		30 September 2021
<b>Land position and production</b>		
Core land position (net acres)		>53,000
Core formation targets		Sunburst, Glauconitic
Average working interest of the play (%)		94%
Number of wells drilled to date (net)		>55
Identified drilling locations (Net)		140
Average production (boe/d)		~2,450
<b>Reserves (mmboe)<sup>(1)</sup></b>		
Proved reserves		8.5
Probable reserves		2.4
Total proved plus probable reserves		10.9
Possible reserves		2.0
Total proved plus probable plus possible		12.9

(1) Refer to Advisories and Guidance for additional information regarding the Company's reserves.

The Sunburst Formation can be developed at low cost (<C\$1m per well) delivering attractive rates of return. The Brooks reservoirs contain a low CO<sub>2</sub> content at 2%, and our multi-well pad drilling reduces the environmental footprint.

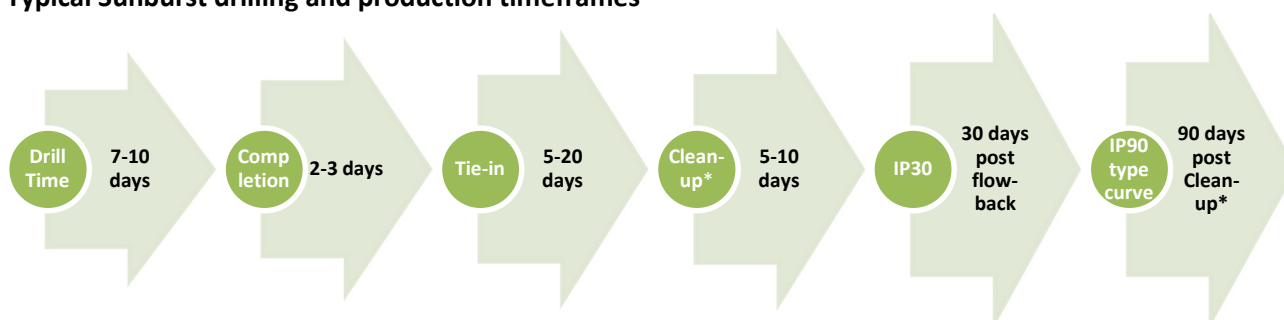
Brooks contains significant infrastructure that creates a foundation for growth and expansion with year-round access. Blackspur's existing infrastructure can process up to 7,000 bbl/d oil.

Year to date in 2021, Blackspur has drilled seven (net) Sunburst wells in the Brooks area, four of which were drilled subsequent to the Blackspur Acquisition with Calima.



Although the current program is solely focused on Sunburst drilling, at current oil prices the Company is looking to begin adding Glauconitic Formation horizontal locations to its upcoming drilling plans. These Glauconitic wells can be very impactful to corporate production levels and reserve bookings. Additional reserves are also expected to be realised through implementation of enhanced oil recovery projects. In January 2020, Blackspur initiated a waterflood in the Countess J2J Pool which is expected to show results in the near term.

### Typical Sunburst drilling and production timeframes



\* Clean-up is the period that water and drilling fluids are recovered from the completion and at after which time commercial hydrocarbons begin to flow from the reservoir.

### Thorsby

30 September  
2021

#### Thorsby asset overview

##### Land position and production

Core land position (net acres)	64,000
Core formation targets	Sparky, Nisku
Average working interest (%)	100%
Number of wells drilled to date (net)	>10
Identified drilling locations (Net) <sup>(1)</sup>	98
Average production (boe/d)	~850

##### Reserves (mmboe)<sup>(2)</sup>

Proved reserves	7.6
Probable reserves	3.0
Total proved plus probable reserves	10.6
Possible reserves	2.2
Total proved plus probable plus possible	12.8

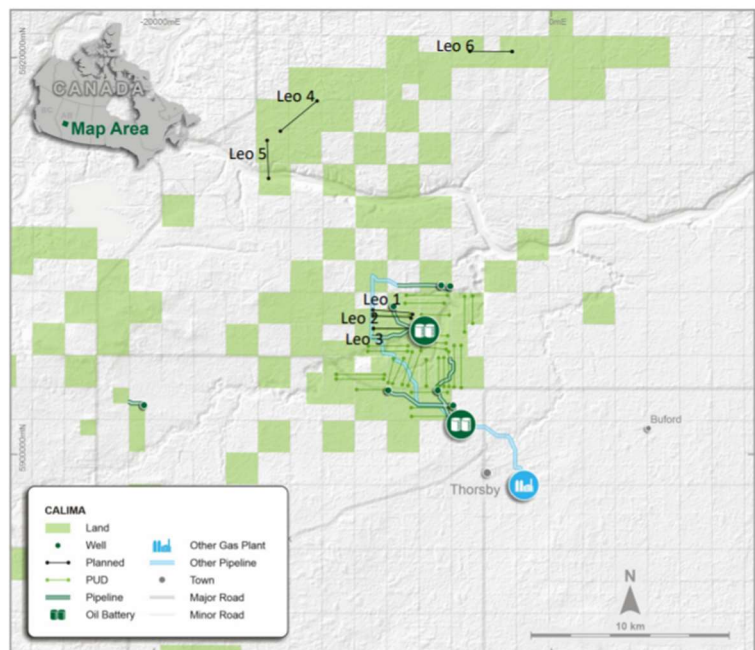
(1) Consists of 86 Sparky formation net drilling locations and 12 Nisku formation net drilling locations.

(2) Refer to Advisories and Guidance for additional information regarding the Company's reserves.

Thorsby has a large inventory of wells to drill with 86 Sparky Formation and 12 Nisku Formation wells identified, including 27 Sparky PUD locations. Select wells have demonstrated significant type curve outperformance in the Sparky Formation. The Spark Formation is also characterised by a low area decline rate of ~17%.

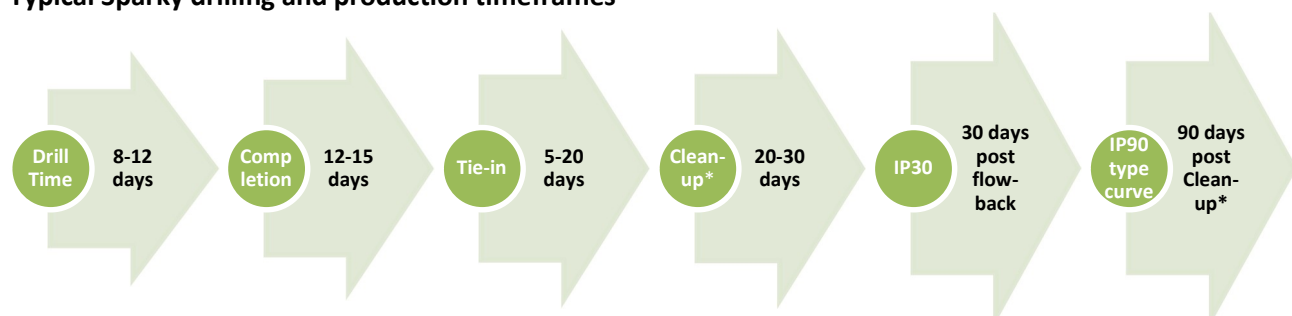
Additionally, upside exists in 66 net sections of Duvernay Formation lands that were included in the Blackspur Acquisition.

The Company's Thorsby position provides a consolidated land base that can be efficiently developed through a network of multi-well pads, all of which have year-round access. The contiguous land base also helps contribute to a lower operating cost environment through greater logistical efficiencies. Blackspur's facilities currently have oil processing capacity of up to 3,000 bbl/d oil.



Year to date in 2021, Blackspur has rig-released three (net) Sparky wells in the Thorsby area. All three wells are classified as development wells, as they are being drilled into existing Sparky Formation oil pools, which have been delineated by both existing Sparky wells and 3D seismic. The wells were completed in October and are expected to be on stream in the fourth quarter of 2021.

#### Typical Sparky drilling and production timeframes



\* Clean-up is the period that water and drilling fluids are recovered from the completion and at after which time commercial hydrocarbons begin to flow from the reservoir.



### Tommy Lakes Montney

30 September  
2021

#### Tommy Lakes asset overview

##### Land position and production

Total land position (net acres) <sup>(1)</sup>	>60,000
Extended land position (net acres) <sup>(1)</sup>	>33,600
Core expiry dates on continuation leases <sup>(1)</sup>	2029
Core formation targets	Montney
Average working interest (%)	100%
Number of exploratory wells drilled to date (net)	2

##### Resources (mmboe)<sup>(2)</sup>

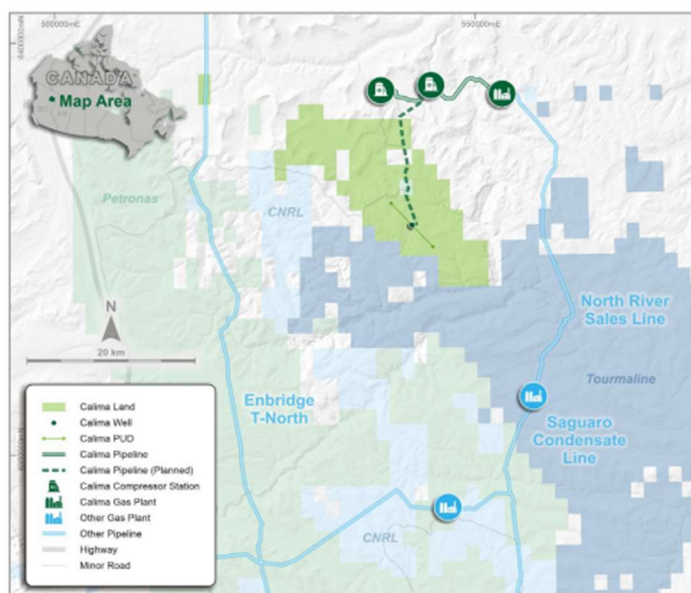
Contingent resources (development on hold)	138
Contingent resources (development pending)	54
Total contingent resources	192
Prospective Resources	363

- (1) The Company holds over 60,000 acres of Montney drilling rights in the Tommy Lakes region of Northeastern BC, with a 10-year continuation lease on over 33,600 acres as a result of the Company's 2019 drilling campaign.
- (2) Refer to Advisories and Guidance for additional information regarding the Company's resources. The Contingent Resources are based on McDaniels & Associates best estimate gross unrisks contingent resource as at December 31, 2020).

Calima currently owns and operates more than 60,000 acres of Montney rights (Calima Lands) in NEBC, Canada. Calima maintains a 10-year PNG lease over 49 contiguous sections (33,643 acres) resulting from the successful 2019 drilling program. The remainder of the acreage is held by drilling licenses that require validation before their scheduled expiry in 2022.

The Tommy Lakes field facilities owned by Calima lies immediately to the north of the Calima Lands. The facilities are fully permitted and have been preserved for future recommissioning. The facilities carry a replacement cost estimated at A\$85 million.

Approval to construct and operate a multi-well production facility has been received, which includes a permit to construct a pipeline to connect the Calima well-pad with regional pipeline and processing infrastructure. The pipeline will connect existing and future Calima wells to the Company's Tommy Lakes infrastructure with capacity to transfer up to 50 MMcf/d of wet gas and 2,500 bbls/d of wellhead condensate through to the North River Midstream sales line, providing access to the Canadian and US markets to AECO, Alliance and T-North/Station 2.



Calima continues to evaluate strategies with respect to the Calima Lands to unlock shareholder value through development, partnerships, farm-out or outright sale. A consolidation of the Montney in northeast British Columbia has commenced and with rising gas prices, currently above US\$4 mcf in North America, the Calima Lands provides significant optionality. No capital programs are planned for the next quarter. Peters & Co. Limited has been retained by Calima to assist in this review of alternatives for the Montney assets. Calima does not intend to provide further updates on the Montney process until such time as binding agreements are executed in respect of this process, which could take up to 6 months.

#### Montney Consolidation Activity

The Montney is estimated as the third largest natural gas basin in the world and remains a strategic source for oil & gas for Western Canada. With the focus on low GHG emissions and world leading ESG compliance, the Montney will be a leading energy supplier to LNG Canada and the North American market. These factors have resulted in recent M&A activity as detailed below:

- Black Swan was sold to Tourmaline for C\$1.1 billion in June 2021

- Saguaro sold a 50% interest to Tourmaline in June 2021 for \$205 million (9,000 boe/d, 25% condensate/NGL's)
- ARC Resources and Seven Generations Energy C\$8.1 billion merger
- Canadian Natural Resources (CNRL) C\$461 million purchase of Painted Pony
- ConocoPhillips C\$550 million purchase of the Kelt asset package
- Tourmaline's C\$85 million purchase of select acreage from Painted Pony, Polar Star and Chinook for C\$85 million

## CORPORATE

### Incentive Securities

On August 30, 2021, shareholders of Calima voted to approve the grant of 1,500,000 performance shares issued to Glenn Whiddon, 2,500,000 options issued to Jordan Kevol and 300,000 options issued to Patrick (Lonny) Tetley.

The incentive options vest over three equal annual tranches, with an exercise price of 20 cents per share each, for a term of five years. The performance rights will vest following the Company's share price reaching 30 cents per share over 20 consecutive trading days.

### Share consolidation

On 30 August 2021, shareholders of Calima approved a 20:1 consolidation of capital. The consolidation was completed on 10 September 2021. The post consolidation capital structure is set out below:

Number of units on issue (thousands)	Post consolidation
Ordinary Shares	513,703
Options	21,663
Performance Rights	8,273

### Related Party Payments

For the three months ended 30 September 2021, Calima paid A\$184,900 to the Company's Directors or their related entities. The payments were as follows:

- A\$40,800 paid to Glenn Whiddon and \$4,000 paid in cash to 250 Railway Parade Pty Ltd<sup>1</sup> for office rent.
- A\$50,000 paid to Meccano Consulting for consulting services and \$4,925 for recovery of bookkeeping services provided to 30 June 2021. Mr. Freeman is a Director of this Company.
- A\$60,485 paid to Jordan Kevol for employment services and A\$15,690 for surface lease rentals in respect of certain Blackspur asset locations in the Thorsby area.
- A\$9,000 paid to Leopard Energy Pty Ltd. For consulting services. Brett Lawrence is a Director of this Company.

1. This party is a related party to Mr Whiddon as defined in the Corporations Act. However, Mr. Whiddon does not control this entity nor has a relevant interest in Shares held by this entity.

### Quarterly Zoom Webinar

The Company is pleased to announce that management will be providing an in-depth analysis of the Company's recent September 2021 Quarterly report and Cash Flows, to be held Wednesday 3<sup>rd</sup> of November 2021 from 10:30am AWST / 1.30am AEST.

The following members of Management will be present to provide a run down on the Company's activities and future programs:

Jordan Kevol, managing director  
 Glenn Whiddon, Chairman  
 Mark Freeman, Finance Director  
 Braydin Brosseau, CFO Blackspur

This webinar is able to be viewed live via Zoom and will provide viewers the opportunity to hear from, and engage with management.

To access further details of the event, please copy and paste the following link into your internet browser:

Join Zoom Meeting

<https://us02web.zoom.us/j/88188363623?pwd=RjJMTHJOamx5a3J1eFM4TkQ2Mng1UT09>

Meeting ID: 881 8836 3623

Passcode: 235658

Dial by your location

Canada +1 438 809 7799 +1 587 328 1099

Australia +61 7 3185 3730, +61 8 6119 3900, +61 8 7150 1149, +61 2 8015 6011, +61 3 7018 2005

Singapore +65 3165 1065, +65 3158 7288

Find your local number: <https://us02web.zoom.us/j/88188363623?pwd=RjJMTHJOamx5a3J1eFM4TkQ2Mng1UT09>

A recorded copy of the webinar will be made available following the event.

For further information visit [www.calimaenergy.com](http://www.calimaenergy.com) or contact:

Jordan Kevol	Glenn Whiddon	Mark Freeman
CEO and President	Chairman	Finance Director
E: <a href="mailto:jkevol@blackspuroil.com">jkevol@blackspuroil.com</a>	E: <a href="mailto:glenn@lagral.com">glenn@lagral.com</a>	E: <a href="mailto:mfreeman@calimaenergy.com">mfreeman@calimaenergy.com</a>
T: +1-403-460-0031	T: +61-410-612-920	T: +61-412-692-146

## ADVISORIES & GUIDANCE

### Forward Looking Statements

This release may contain forward-looking statements. These statements relate to the Company's expectations, beliefs, intentions or strategies regarding the future. These statements can be identified by the use of words like "anticipate", "believe", "intend", "estimate", "expect", "may", "plan", "project", "will", "should", "seek" and similar words or expressions containing same. These forward-looking statements reflect the Company's views and assumptions with respect to future events as of the date of this release and are subject to a variety of unpredictable risks, uncertainties, and other unknowns. Actual and future results and trends could differ materially from those set forth in such statements due to various factors, many of which are beyond our ability to control or predict. These include, but are not limited to, risks or uncertainties associated with the discovery and development of oil and natural gas reserves, cash flows and liquidity, business and financial strategy, budget, projections and operating results, oil and natural gas prices, amount, nature and timing of capital expenditures, including future development costs, availability and terms of capital and general economic and business conditions. Given these uncertainties, no one should place undue reliance on any forward-looking statements attributable to Calima, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this release sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

### Non-GAAP measures

This quarterly report includes certain meaningful performance measures commonly used in the oil and natural gas industry that are not defined under IFRS, consisting of "adjusted EBITDA", "adjusted working capital", "available funding" and "net debt". These performance measures presented in this quarterly report should not be considered in isolation or as a substitute for performance measures prepared in accordance with IFRS and should be read in conjunction with the financial statements. Readers are cautioned that these non-GAAP measures do not have any standardised meanings and should not be used to make comparisons between Calima and other companies without also taking into account any differences in the method by which the calculations are prepared. Refer to the other sections of this quarterly report and the definitions below for additional details regarding the calculations.

### Qualified petroleum reserves and resources evaluator statements

<sup>1</sup> Refer to the announcement dated 1 September 2021 ("2021 Reserve Evaluation – Blackspur Oil Corp.") and the announcement dated 30 April 2021 ("Montney Resource Update"). The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

The petroleum reserves and resources information in this quarterly report in relation to legacy Blackspur assets is based on, and fairly represents, information and supporting documentation in a report compiled by InSite Petroleum Consultants Ltd. (InSite) for the 30 June 2021 Reserves Report. InSite is a leading independent Canadian petroleum consulting firm registered with the Association of Professional Engineers and Geoscientists of Alberta. These reserves were subsequently reviewed by Mr. Graham Veale who is the VP Engineering with Blackspur Oil Corp. The InSite 30 June 2021 Reserves Report and the values contained therein are based on InSite's 30 June 2021 price deck (<https://www.insitepc.com/pricing-forecasts>). Mr. Veale holds a BSc. in Mechanical Engineering from the University of Calgary (1995) and is a registered member of the Alberta Association of Professional Engineers and Geoscientists of Alberta (APEGA). He has over 25 years of experience in petroleum and reservoir engineering, reserve evaluation, exploitation, corporate and business strategy, and drilling and completions. InSite and Mr. Veale have consented to the inclusion of the petroleum reserves and resources information in this announcement in the form and context in which it appears.

The petroleum resources information in this announcement is based on, and fairly represents, information and supporting documentation in a report compiled by technical employees of McDaniel and Associates Ltd, a leading independent Canadian petroleum consulting firm registered with the

Association of Professional Engineers and Geoscientists of Alberta (APEGA) and was subsequently reviewed by Mr. Aaron Bauer who is a consultant contracted to Calima Energy. Mr. Bauer holds a BSc. in Petroleum Engineering from the University of Calgary (2003) and is an Engineer with over 15 years of experience in petroleum operations and project management as well as prospect generation, evaluations petroleum and reserve evaluation. Mr. Bauer is also a member of (APEGA) and has consented to the inclusion of the petroleum resources information in this announcement in the form and context in which it appears.

## Oil and Gas Glossary and Definitions

Term	Meaning
<b>Adjusted EBITDA:</b>	Adjusted EBITDA is calculated as net income (loss) before interest and financing expenses, income taxes, depletion, depreciation and amortisation, and adjusted to exclude certain non-cash, extraordinary and non-recurring items primarily relating to bargain purchase gains, gains and losses on financial instruments, transaction and advisory costs and impairment losses. Calima utilises adjusted EBITDA as a measure of operational performance and cash flow generating capability. Adjusted EBITDA impacts the level and extent of funding for capital projects investments or returning capital to shareholders.
<b>Adjusted working capital:</b>	Adjusted working capital is comprised of current assets less current liabilities on the Company's balance sheet and excludes the current portions of risk management contracts and credit facility draws. Adjusted working capital is utilised by Management and others as a measure of liquidity because a surplus of adjusted working capital will result in a future net cash inflow to the business which can be used for future funding, and a deficiency of adjusted working capital will result in a future net cash outflow which will require a future draw from Calima's existing funding capacity.
<b>ARO / Asset Retirement Obligation:</b>	the process of permanently closing and relinquishing a well by using cement to create plugs at specific intervals within a well bore
<b>Available funding:</b>	Available funding is comprised of adjusted working capital and the undrawn component of Blackspur's credit facility. The available funding measure allows Management and other users to evaluate the Company's liquidity.
<b>Credit Facility Interest:</b>	Borrowings under the Credit Facility incur interest at a market-based interest rate plus an applicable margin which varies depending on Blackspur's net debt to cash flow ratio. Interest charges are between 150 bps to 350 bps on Canadian bank prime borrowings and between 275 bps and 475 bps on Canadian dollar bankers' acceptances. Any undrawn portion of the demand facility is subject to a standby fee in the range of 20 bps to 45 bps. Security for the credit facility is provided by a C\$150 million demand debenture
<b>CO2e:</b>	carbon dioxide equivalent
<b>Conventional Well:</b>	a well that produces gas or oil from a conventional underground reservoir or formation, typically without the need for horizontal drilling or modern completion techniques
<b>Compression:</b>	a device or facility located along a natural gas pipeline that raises the pressure of the natural gas flowing in the pipeline, which in turn compresses the natural gas, thereby both increasing the effective capacity of the pipeline and allowing the natural gas to travel longer distances
<b>Corporate Decline:</b>	consolidated, average rate decline for net production from the Company's assets
<b>Exit Production:</b>	Exit production is defined as the average daily volume on the last week of the period
<b>Operating Income:</b>	Oil and gas sales net of royalties, transportation and operating expenses
<b>Financial Hedge:</b>	a financial arrangement which allows the Company to protect against adverse commodity price movements, the gains or losses of which flow through the Company's derivative settlements on its financial statements
<b>Free Cash Flow (FCF):</b>	represents Hedged Adjusted EBITDA less recurring capital expenditures, asset retirement costs and cash interest expense
<b>Free Cash Flow Yield:</b>	represents free cash flow as a percentage of the Company's total market capitalisation at a certain point in time
<b>Funds Flow:</b>	Funds flow is comprised of cash provided by operating activities, excluding the impact of changes in non-cash working capital. Calima utilises funds flow as a measure of operational performance and cash flow generating capability. Funds flow also impacts the level and extent of funding for investment in capital projects, returning capital to shareholders and repaying debt. By excluding changes in non-cash working capital from cash provided by operating activities, the funds flow measure provides a meaningful metric for Management and others by establishing a clear link between the Company's cash flows, income statement and operating netbacks from the business by isolating the impact of changes in the timing between accrual and cash settlement dates.
<b>Gathering &amp; Compression (G&amp;C):</b>	owned midstream expenses; the costs incurred to transport hydrocarbons across owned midstream assets
<b>Gathering &amp; Transportation (G&amp;T):</b>	third-party gathering and transportation expense; the cost incurred to transport hydrocarbons across third-party midstream assets
<b>G&amp;A:</b>	general and administrative expenses; may be represented by recurring expenses or non-recurring expense
<b>Hedged Adjusted EBITDA:</b>	EBITDA including adjustments for non-recurring and non-cash items such as gain on the sale of assets, acquisition related expenses and integration costs, mark-to-market adjustments related to the Company's hedge portfolio, non-cash equity compensation charges and items of a similar nature;
<b>Hyperbolic Decline:</b>	non-exponential with subtle multiple decline rates; hyperbolic curves decline faster early in the life of the well and slower as time increases
<b>LMR:</b>	The LMR (Liability Management Ratio) is determined by the Alberta Energy Regulator ("AER") and is calculated by dividing Blackspur's deemed assets by its deemed liabilities, both values of which are determined by the AER.
<b>LOE:</b>	lease operating expense, including base LOE, production taxes and gathering & transportation expense
<b>Midstream:</b>	a segment of the oil and gas industry that focuses on the processing, storing, transporting and marketing of oil, natural gas, and natural gas liquids
<b>Net Debt"</b>	Net debt is calculated as the current and long-term portions of Calima's credit facility draws, lease liabilities and other borrowings net of adjusted working capital. The credit facility draws are calculated as the principal amount outstanding converted to Australian dollars at the closing exchange rate for the period. Net debt is an important measure used by Management and others to assess the Company's liquidity by adding long-term debt, lease liabilities and working capital.
<b>NGL / Natural Gas Liquids:</b>	hydrocarbon components of natural gas that can be separated from the gas state in the form of liquids
<b>Net Debt/Adjusted EBITDA (Leverage)</b>	a measure of financial liquidity and flexibility calculated as Net Debt divided by Hedged Adjusted EBITDA
<b>Net Revenue Interest:</b>	a share of production after all burdens, such as royalty and overriding royalty, have been deducted from the working interest. It is the percentage of production that each party actually receives
<b>Operating Costs:</b>	total lease operating expense (LOE) plus gathering & compression expense
<b>Operating Netback:</b>	Operating netback is calculated on a per boe basis and is determined by deducting royalties, operating and transportation from oil and natural gas sales, after adjusting for realised hedging gains or losses. Operating netback is utilised by Calima and others to assess the profitability of the Company's oil and natural gas assets on a standalone basis, before the inclusion of corporate overhead related costs. Operating netback is also utilised to compare current results to prior periods or to peers by isolating for the impact of changes in production volumes.
<b>Physical Contract:</b>	a marketing contract between buyer and seller of a physical commodity which locks in commodity pricing for a specific index or location and that is reflected in the Company's commodity revenues Production Taxes: state taxes imposed upon the value or quantity of oil and gas produced
<b>Promote:</b>	an additional economic ownership interest in the jointly-owned properties that is conveyed cost-free to the operator in consideration for operating the assets

Term	Meaning
<b>PDP/ Proved Developed Producing:</b>	a reserve classification for proved reserves that can be expected to be recovered through existing wells with existing equipment and operating methods
<b>PV10:</b>	a standard metric utilised in SEC filings for the valuation of the Company's oil and gas reserves; the present value of the estimated future oil and gas revenues, reduced by direct expenses, and discounted at an annual rate of 10%
<b>RBL / Reserve Based Lending</b>	a revolving credit facility available to a borrower based on (secured by) the value of the borrower's oil and gas reserves
<b>Royalty Interest or Royalty:</b>	Interest in a leasehold area providing the holder with the right to receive a share of production associated with the leasehold area
<b>Terminal decline:</b>	represents the steady state decline rate after early (initial) flush production
<b>tCO2:</b>	Tonnes of Carbon Dioxide
<b>Unconventional Well:</b>	a well that produces gas or oil from an unconventional underground reservoir formation, such as shale, which typically requires hydraulic fracturing to allow the gas or oil to flow out of the reservoir
<b>Upstream:</b>	a segment of the oil and gas industry that focuses on the exploration and production of oil and natural gas
<b>Working Capital Ratio:</b>	The working capital ratio as the ratio of (i) current assets plus any undrawn availability under the facility to (ii) current liabilities less any amount drawn under the facilities. For the purposes of the covenant calculation, risk management contract assets and liabilities are excluded.
<b>WI/ Working Interest:</b>	a type of interest in an oil and gas property that obligates the holder thereof to bear and pay a portion of all the property's maintenance, development, and operational costs and expenses, without giving effect to any burdens applicable to the property

Abbreviation	Abbreviation meaning	Abbreviation	Abbreviation meaning
<b>1P</b>	proved reserves	<b>A\$ or AUD</b>	Australian dollars
<b>2P</b>	proved plus Probable reserves	<b>C\$ or CAD</b>	Canadian dollars
<b>3P</b>	proved plus Probable plus Possible reserves	<b>US\$ or USD</b>	United states dollars
<b>bbl or bbls</b>	barrel of oil	<b>(\$ thousands)</b>	figures are divided by 1,000
<b>boe</b>	barrel of oil equivalent (1 bbl = 6 Mcf)	<b>(\$ 000s)</b>	figures are divided by 1,000
<b>d</b>	suffix – per day	<b>Q1</b>	first quarter ended March 31 <sup>st</sup>
<b>GJ</b>	gigajoules	<b>Q2</b>	second quarter ended June 30 <sup>th</sup>
<b>mbbl</b>	thousands of barrels	<b>Q3</b>	third quarter ended September 30 <sup>th</sup>
<b>mboe</b>	thousands of barrels of oil equivalent	<b>Q4</b>	fourth quarter ended December 31 <sup>st</sup>
<b>Mcf</b>	thousand cubic feet	<b>YTD</b>	year-to-date
<b>MMcf</b>	million cubic feet	<b>YE</b>	year-end
<b>PDP</b>	proved developed producing reserves	<b>H1</b>	six months ended June 30 <sup>th</sup>
<b>PUD</b>	Proved Undeveloped Producing	<b>H2</b>	six months ended December 31 <sup>st</sup>
<b>C</b>	Contingent Resources – 1C/2C/3C – low/most likely/high	<b>B</b>	Prefix – Billions
<b>Net</b>	Working Interest after Deduction of Royalty Interests	<b>MM</b>	Prefix - Millions
<b>NPV (10)</b>	Net Present Value (discount rate), before income tax	<b>M</b>	Prefix - Thousands
<b>EUR</b>	Estimated Ultimate Recovery per well	<b>/d</b>	Suffix – per day
<b>WTI</b>	West Texas Intermediate Oil Benchmark Price	<b>bbl</b>	Barrel of Oil
<b>WCS</b>	Western Canadian Select Oil Benchmark Price	<b>boe</b>	Barrel of Oil Equivalent (1bbl = 6 mscf)
<b>1P or TP</b>	Total Proved	<b>scf</b>	Standard Cubic Foot of Gas
<b>2P or TPP</b>	Total Proved plus Probable Reserves	<b>Bcf</b>	Billion Standard Cubic Foot of Gas
<b>3P</b>	Total Proved plus Probable plus Possible Reserves	<b>tCO<sub>2</sub></b>	Tonnes of Carbon Dioxide
<b>EBITDA</b>	Earnings before interest, tax, depreciation, depletion and amortisation	<b>OCF</b>	Operating Cash Flow, ex Capex
<b>Net Acres</b>	Working Interest	<b>E</b>	Estimate
<b>IP24</b>	The peak oil production rate over 24 hours of production	<b>CY</b>	Calendar Year
<b>IP30</b>	Average oil production rate over the first 30 days		



## QUARTERLY CASH FLOW REPORT (APPENDIX 5B)

### MINING EXPLORATION ENTITY OR OIL AND GAS EXPLORATION ENTITY QUARTERLY CASH FLOW REPORT

#### NAME OF ENTITY

CALIMA ENERGY LIMITED

ABN

17 117 227 086

CURRENT QUARTER

30 September 2021

CONSOLIDATED STATEMENT OF CASH FLOWS		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	17,809	28,110
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(8,324)	(13,039)
	(d) staff costs	(459)	(1,113)
	(e) administration and corporate costs	(671)	(2,594)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(171)	(307)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (losses on risk management contracts, foreign exchange losses, changes in non-cash working capital)	(711)	(2,121)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>7,473</b>	<b>8,936</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	(33,162)
	(b) tenements	(577)	(610)
	(c) property, plant and equipment	(10,206)	(15,260)
	(d) exploration & evaluation	(85)	(85)
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (changes in non-cash working capital)	3,221	5,410
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(7,647)</b>	<b>(43,707)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	38,894
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(2,489)
3.5	Proceeds from borrowings	-	-

CONSOLIDATED STATEMENT OF CASH FLOWS		Current quarter \$A'000	Year to date (9 months) \$A'000
3.6	Net Repayment of borrowings	(154)	(1,458)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(154)	34,947
4. Net increase / (decrease) in cash and cash equivalents for the period			
4.1	Cash and cash equivalents at beginning of period	2,239	1,697
4.2	Net cash from / (used in) operating activities (item 1.9 above)	7,473	8,936
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(7,647)	(43,707)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(154)	34,947
4.5	Effect of movement in exchange rates on cash held	10	48
4.6	Cash and cash equivalents at end of period	1,921	1,921
5. RECONCILIATION OF CASH AND CASH EQUIVALENTS AT THE END OF THE QUARTER (AS SHOWN IN THE CONSOLIDATED STATEMENT OF CASH FLOWS) TO THE RELATED ITEMS IN THE ACCOUNTS		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,921	2,239
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,921	2,239
6. PAYMENTS TO RELATED PARTIES OF THE ENTITY AND THEIR ASSOCIATES		Current quarter \$A'000	
6.1	Aggregate amount of payments to related parties and their associates included in item 1		185
6.2	Aggregate amount of payments to related parties and their associates included in item 2		-
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.			
7. FINANCING FACILITIES NOTE: THE TERM "FACILITY" INCLUDES ALL FORMS OF FINANCING ARRANGEMENTS AVAILABLE TO THE ENTITY. ADD NOTES AS NECESSARY FOR AN UNDERSTANDING OF THE SOURCES OF FINANCE AVAILABLE TO THE ENTITY.		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	27,173	18,081
7.2	Credit standby arrangements	-	-
7.3a	Other (working capital deficit, excluding cash)	-	5,724
7.3b	Other (long-term portion of lease liability)	322	322
7.4	Total financing facilities	27,495	24,127
7.5	Unused financing facilities available at quarter end		3,368
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
As at 30 September 2021, the Calima Group held a C\$25 million demand revolving credit facility with a Canadian chartered bank (the "Credit Facility"). Borrowings under the Credit Facility incur interest at a market-based interest rate plus an applicable margin which varies depending on Blackspur's net debt to cash flow ratio. Stamping fees are between 150 bps to 350 bps on Canadian bank prime borrowings and between 275 bps and 475 bps on Canadian dollar bankers' acceptances. Any undrawn portion of the demand facility is subject to a standby fee in the range of 20 bps to 45 bps. Security for the credit facility is provided by a C\$150 million demand debenture. The Company's bank indebtedness does not have a specific maturity date as it is a demand facility. This means that the lender has the ability to demand repayment of all outstanding indebtedness or a portion thereof at any time. If that were to occur, the Company would be required to source alternative sources of capital or sell assets to repay the indebtedness. The revolving credit facility is scheduled for its next borrowing base review on or before 30 November 2021, and is based on the Lenders' interpretation of the Company's reserves and future commodity prices.			

The Calima Group's working capital deficit in the table above consists of the Company's accounts payable and accrued liabilities in excess of accounts receivable and prepaid expenses and reflects the expected net cash outflows related to these instruments within the next 12 months. As at 30 September 2021, the Calima Group held outstanding trade payables and accrued liabilities in the amount of A\$13.1 million with service providers in the normal course of business. Credit terms with counterparties are generally payable without penalty within 30-60 days. The Company recognized A\$6.8 million accounts receivable primarily in respect of the Company's oil and gas sales. Revenue receipts are generally collectible within 30 days following the month of sale. The Company also recognized A\$0.6 million in prepaid expenses primarily in respect of normal-course operational activities.

The Calima Group's lease liability relates to the leasing of four storage tanks that service produced water and flowback at the Company's Montney exploration well sites in North-eastern BC. The four-year lease agreement commenced on January 1, 2020. The current portion of the lease liability is reflected within accounts payable and accrued liabilities.

<b>8.</b>	<b>ESTIMATED CASH AVAILABLE FOR FUTURE OPERATING ACTIVITIES</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	7,473
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(85)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	7,388
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,921
8.5	Unused finance facilities available at quarter end (item 7.5)	3,368
8.6	Total available funding (item 8.4 + item 8.5)	5,289
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>N/A</b>
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

## COMPLIANCE STATEMENT

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: ...29/10/2021.....

Authorised by: ..The Board.....

(Name of body or officer authorising release – see note 4)

## NOTES

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

### APPENDIX A – SCHEDULE OF INTEREST IN TENEMENTS AS AT 30 SEPTEMBER 2021

Country	Lease name & number	Q3 update	Working interest	Country	Lease name & number	Q3 update	Working interest
CANADA	CR PNG 0488120306	-	25%	CANADA	CR PNG 0417040006	-	100%
CANADA	CR PNG 113922	-	100%	CANADA	CR PNG 0417040196	-	50%
CANADA	FH PNG M077339 HERITAGE	-	100%	CANADA	FH PET M223542 PRAIRIESKY	-	100%
CANADA	FH PNG M077343 HERITAGE	-	50%	CANADA	FH PNG HELM, JEFFREY	-	100%
CANADA	CR PNG 0401070798	-	50%	CANADA	FH PNG HELM, CRAIG	-	100%
CANADA	FH PNG M077354 HERITAGE	-	50%	CANADA	CR PNG 0417050094	-	100%
CANADA	FH PNG M077355 HERITAGE	-	50%	CANADA	CR PNG 0417060132	-	100%
CANADA	FH PNG M077362 HERITAGE	-	50%	CANADA	CR PNG 0417060139	-	100%
CANADA	FH PNG M077365 HERITAGE	-	50%	CANADA	CR PNG 0496020408	-	45%
CANADA	FH PNG M057552 HERITAGE	-	50%	CANADA	CR PNG 0417070138	-	100%
CANADA	FH PNG M077369 HERITAGE	-	50%	CANADA	CR PNG 0417070139	-	100%
CANADA	FH PNG M057230 HERITAGE	-	100%	CANADA	CR PNG 0417070142	-	100%
CANADA	FH PNG M057231 HERITAGE	-	50%	CANADA	CR PNG 0417080003	-	100%
CANADA	FH PNG M057228 HERITAGE	-	50%	CANADA	CR PNG 0417080004	-	100%
CANADA	FH PNG M057229 HERITAGE	-	50%	CANADA	CR PNG 0417080005	-	100%
CANADA	FH PNG M077379 HERITAGE	-	50%	CANADA	CR PNG 0417080006	-	100%
CANADA	FH PNG M077381 HERITAGE	-	50%	CANADA	FH PET M118153 HERITAGE	-	100%
CANADA	FH PNG M077383 HERITAGE	-	100%	CANADA	FH PET M117918 HERITAGE	-	100%
CANADA	FH PNG M077384 HERITAGE	-	50%	CANADA	FH PET M118154 HERITAGE	-	100%
CANADA	FH PNG M058621 HERITAGE	-	88%	CANADA	FH PET M118155 HERITAGE	-	100%
CANADA	FH PNG M077385 HERITAGE	-	50%	CANADA	FH PET M117917 HERITAGE	-	100%
CANADA	FH PNG M077387 HERITAGE	-	50%	CANADA	CR PNG 0417090049	-	50%
CANADA	FH PNG M058439 HERITAGE	-	50%	CANADA	CR PNG 0414100019	-	100%
CANADA	FH PNG M077388 HERITAGE	-	50%	CANADA	CR PNG 0417090098	-	100%
CANADA	FH PET M083475 HERITAGE	-	75%	CANADA	CR PNG 0417090158	-	100%
CANADA	FH PNG M057120 HERITAGE	-	0%	CANADA	CR PNG 0417090164	-	100%
CANADA	FH PNG M057136 HERITAGE	-	0%	CANADA	CR PNG 0417090165	-	100%
CANADA	FH PNG M064409 HERITAGE	-	0%	CANADA	CR PNG 0417100063	-	100%
CANADA	CR PNG 0401110596	-	0%	CANADA	CR PNG 0417100064	-	100%
CANADA	CR PNG 0489120182	-	100%	CANADA	CR PNG 0417100067	-	100%
CANADA	CR PNG 6879A	-	100%	CANADA	FH PET M120054 HERITAGE	-	100%
CANADA	CR PNG 5697A	-	100%	CANADA	CR PNG 0417100153	-	50%
CANADA	FH PNG M087367 HERITAGE	-	100%	CANADA	CR PNG 0417100154	-	50%
CANADA	CR PNG 0411110073	-	100%	CANADA	CR PNG 0417100155	-	50%
CANADA	CR PNG 0411110085	-	100%	CANADA	CR PNG 0417100156	-	50%
CANADA	CR PNG 0411110086	-	100%	CANADA	CR PNG 0417110088	-	100%
CANADA	CR PNG 0412030144	-	100%	CANADA	CR PNG 0417110091	-	100%
CANADA	FH PNG BENTLEY, CHERYL	-	100%	CANADA	CR PNG 0417120003	-	100%
CANADA	FH PNG TKACHUK ET AL	-	100%	CANADA	CR PNG 0417120041	-	100%
CANADA	FH PNG BENTLEY ET AL	-	100%	CANADA	CR PNG 0417120042	-	100%
CANADA	CR PNG 0413080342	-	100%	CANADA	CR PNG 0417120043	-	100%
CANADA	CR PNG 0413080343	-	100%	CANADA	CR PNG 0417120044	-	100%
CANADA	CR PNG 0413120217	-	100%	CANADA	CR PNG 0417120157	-	100%
CANADA	FH PNG BENTLEY, D.	-	100%	CANADA	CR PNG 0417120165	-	100%
CANADA	FH PNG PEDERSON, V.	-	100%	CANADA	CR PNG 0417120166	-	100%
CANADA	FH PNG JOHNSON, JO-ANNE	-	100%	CANADA	FH PNG GRITZFELDT, J & J	-	100%
CANADA	CR PNG 0404010158	-	100%	CANADA	FH PNG KELSEY, CLIFFORD	-	100%
CANADA	CR PNG 0404010157	-	100%	CANADA	FH PNG KELSEY, CLIFFORD	-	100%
CANADA	CR PNG 0414060022	-	100%	CANADA	FH PNG OLSON, VIRGINIA	-	100%
CANADA	CR PNG 0414070234	-	100%	CANADA	FH PNG OLSON, VIRGINIA	-	100%
CANADA	FH PNG M110518 HERITAGE	-	100%	CANADA	CR PNG 0417090160	-	100%
CANADA	FH PNG M110083 HERITAGE	-	100%	CANADA	CR PNG 0418040094	-	100%
CANADA	CR PNG 0499040052	-	81%	CANADA	CR PNG 0404050042	-	100%
CANADA	CR PNG 0411090025	-	100%	CANADA	CR PNG 0418070022	-	100%
CANADA	CR PNG 0411090027	-	100%	CANADA	CR PNG 0418070024	-	100%
CANADA	FH PNG M059623 HERITAGE	-	100%	CANADA	CR PNG 0418070026	-	100%
CANADA	FH PET M200805 PRAIRIESKY	-	100%	CANADA	CR PNG 0418070027	-	100%
CANADA	FH PET M201169 PRAIRIESKY	-	100%	CANADA	CR PNG 0418080186	-	50%
CANADA	FH PET M201170 PRAIRIESKY	-	100%	CANADA	CR PNG 0418080187	-	50%
CANADA	FH PET M201171 PRAIRIESKY	-	100%	CANADA	CR PNG 0418080188	-	50%
CANADA	FH PET M201172 PRAIRIESKY	-	100%	CANADA	CR PNG 0418080189	-	50%
CANADA	CR PNG 0479060095	-	20%	CANADA	CR PNG 0418100101	-	100%
CANADA	CR PNG 0479060094	-	49%	CANADA	FH PNG WURBAN ET AL	-	100%
CANADA	CR PNG 27346	-	20%	CANADA	FH PNG WURBAN, LAWRENCE	-	100%
CANADA	CR PNG 4678	-	68%	CANADA	FH TOP LEASE GRITZFELDT ET AL	-	0%
CANADA	FH NG M115649 HERITAGE	-	100%	CANADA	FH PNG WURBAN, KENNETH	-	100%
CANADA	FH PET M115657 HERITAGE	-	100%	CANADA	CR PNG 0419010050	-	100%
CANADA	FH PET M115656 HERITAGE	-	100%	CANADA	CR PNG 0419010051	-	100%
CANADA	CR PNG 124433	-	81%	CANADA	CR PNG 0419010053	-	50%
CANADA	CR PNG 28705	-	81%	CANADA	FH PNG FORTIER ET AL	-	100%
CANADA	CR PNG 121449	-	49%	CANADA	FH PET M121562 HERITAGE	-	100%
CANADA	FH PNG M056870 HERITAGE	-	100%	CANADA	FH PET M121563 HERITAGE	-	100%
CANADA	FH PNG M056871 HERITAGE	-	100%	CANADA	FH PET M121564 HERITAGE	-	100%
CANADA	FH PNG M059315 HERITAGE	-	100%	CANADA	FH PET M121565 HERITAGE	-	100%
CANADA	FH PNG M059316 HERITAGE	-	100%	CANADA	FH PET M121566 HERITAGE	-	100%
CANADA	FH PNG M055940 HERITAGE	-	100%	CANADA	FH PET M121567 HERITAGE	-	100%
CANADA	FH PNG M056875 HERITAGE	-	100%	CANADA	FH PET M121568 HERITAGE	-	100%
CANADA	FH PNG M056876 HERITAGE	-	100%	CANADA	FH PET M121569 HERITAGE	-	100%
CANADA	FH PNG M055910 HERITAGE	-	100%	CANADA	FH PET M121570 HERITAGE	-	100%
CANADA	FH PNG M056877 HERITAGE	-	100%	CANADA	FH PET M121571 HERITAGE	-	100%
CANADA	FH PNG M055912 HERITAGE	-	100%	CANADA	FH PET M121572 HERITAGE	-	100%
CANADA	FH PNG M055911 HERITAGE	-	100%	CANADA	FH PET M121573 HERITAGE	-	100%
CANADA	FH PNG M056878 HERITAGE	-	100%	CANADA	FH PET M121574 HERITAGE	-	100%
CANADA	FH PNG M055915 HERITAGE	-	100%	CANADA	FH PET M121575 HERITAGE	-	100%

Country	Lease name & number	Q3 update	Working interest
CANADA	FH PNG M056879 HERITAGE	-	100%
CANADA	FH PNG M055916 HERITAGE	-	100%
CANADA	FH PNG M056880 HERITAGE	-	50%
CANADA	FH PNG M056881 HERITAGE	-	50%
CANADA	FH PNG M056883 HERITAGE	-	100%
CANADA	FH PNG M056882 HERITAGE	-	100%
CANADA	FH PNG M056884 HERITAGE	-	100%
CANADA	FH PNG M059251 HERITAGE	-	50%
CANADA	FH PNG M060433 HERITAGE	-	50%
CANADA	FH PNG M056886 HERITAGE	-	100%
CANADA	FH PNG M05922 HERITAGE	-	100%
CANADA	FH PNG M060434 HERITAGE	-	50%
CANADA	FH PNG M059253 HERITAGE	-	50%
CANADA	FH PNG M059255 HERITAGE	-	50%
CANADA	FH PNG M059252 HERITAGE	-	50%
CANADA	FH PNG M060435 HERITAGE	-	50%
CANADA	FH PNG M060437 HERITAGE	-	50%
CANADA	CR PNG 2543	-	50%
CANADA	FH PNG M059749 HERITAGE	-	50%
CANADA	FH PNG M060439 HERITAGE	-	50%
CANADA	FH PNG M059566 HERITAGE	-	50%
CANADA	FH PNG M060449 HERITAGE	-	50%
CANADA	FH PNG M056993 HERITAGE	-	100%
CANADA	FH PNG M059767 HERITAGE	-	55%
CANADA	FH PNG M060452 HERITAGE	-	50%
CANADA	FH PNG M059570 HERITAGE	-	50%
CANADA	FH PNG M060429 HERITAGE	-	50%
CANADA	FH PNG M059574 HERITAGE	-	50%
CANADA	FH PNG CANPAR	-	100%
CANADA	FH PET M115852 HERITAGE	-	50%
CANADA	FH PET M115854 HERITAGE	-	50%
CANADA	FH PNG NORRIS, PAUL J.	-	50%
CANADA	FH PNG SCHAFER, S.	-	50%
CANADA	FH PNG GAAL, B.	-	50%
CANADA	FH PNG JOHN WISE ESTATE	-	50%
CANADA	CR PNG 13796	-	50%
CANADA	FH PNG NORRIS ET AL	-	50%
CANADA	FH PNG NORRIS ET AL	-	50%
CANADA	FH PNG COVEY, W.	-	50%
CANADA	CR PNG 13803	-	50%
CANADA	CR PNG 13797	-	50%
CANADA	CR PNG 29277	-	50%
CANADA	CR PNG 105092	-	50%
CANADA	CR PNG 31715	-	50%
CANADA	CR PNG 1711	-	50%
CANADA	CR PNG 29278	-	50%
CANADA	CR PNG 0483120063	-	50%
CANADA	FH NG M114717 HERITAGE	-	100%
CANADA	FH PET M114737 HERITAGE	-	100%
CANADA	FH NG M114992 HERITAGE	-	50%
CANADA	FH PET M115006 HERITAGE	-	50%
CANADA	FH PET M115008 HERITAGE	-	50%
CANADA	FH PET M115010 HERITAGE	-	50%
CANADA	FH PET M115012 HERITAGE	-	50%
CANADA	FH PET M115088 HERITAGE	-	50%
CANADA	FH NG M115531 HERITAGE	-	100%
CANADA	FH PET M115549 HERITAGE	-	100%
CANADA	FH PET M115550 HERITAGE	-	100%
CANADA	FH PET M115551 HERITAGE	-	100%
CANADA	FH PET M115552 HERITAGE	-	100%
CANADA	FH NG M115620 HERITAGE	-	100%
CANADA	FH PET M115643 HERITAGE	-	100%
CANADA	FH PET M115644 HERITAGE	-	100%
CANADA	FH PET M115358 HERITAGE	-	100%
CANADA	FH PET M115359 HERITAGE	-	100%
CANADA	CR PNG 0404050040	-	100%
CANADA	FH PET M207756 PRAIRIESKY	-	100%
CANADA	FH PET M207757 PRAIRIESKY	-	100%
CANADA	FH PET M207758 PRAIRIESKY	-	100%
CANADA	FH PET M207759 PRAIRIESKY	-	100%
CANADA	CR PNG 0415070077	-	100%
CANADA	CR PNG 0415070079	-	50%
CANADA	CR PNG 0415100024	-	100%
CANADA	FH PET M117777 HERITAGE	-	100%
CANADA	FH PET M117778 HERITAGE	-	100%
CANADA	FH PET M117779 HERITAGE	-	100%
CANADA	FH PET M117783 HERITAGE	-	100%
CANADA	FH PNG DOOL, DAVID	-	100%
CANADA	CR PNG 0415110019	-	100%
CANADA	CR PNG 0487060126	-	50%
CANADA	CR PNG 0413080292	-	100%
CANADA	CR PNG 0490030039	-	100%
CANADA	CR PNG 0490030038	-	77%
CANADA	CR PNG 2544	-	77%
CANADA	FH PET M220458 PRAIRIESKY	-	100%
CANADA	FH PET M220457 PRAIRIESKY	-	100%
CANADA	FH PET M220456 PRAIRIESKY	-	100%

Country	Lease name & number	Q3 update	Working interest
CANADA	FH PET M121576 HERITAGE	-	100%
CANADA	FH PET M121577 HERITAGE	-	100%
CANADA	FH PET M121587 HERITAGE	-	100%
CANADA	FH PET M121586 HERITAGE	-	100%
CANADA	FH PET M202676 HERITAGE	-	100%
CANADA	FH PET M203053 HERITAGE	-	100%
CANADA	CR PNG 0404050038	-	100%
CANADA	CR PNG 0418050149	-	100%
CANADA	CR PNG 0418010031	-	100%
CANADA	CR PNG 0418100105	-	100%
CANADA	CR PNG 0418080191	-	100%
CANADA	CR PNG 0419010054	-	100%
CANADA	CR PNG 0418050150	-	100%
CANADA	CR PNG 0417080122	-	100%
CANADA	CR PNG 0418010032	-	100%
CANADA	FH NG M121990 HERITAGE	-	100%
CANADA	FH PET M121991 HERITAGE	-	100%
CANADA	CR PNG 0419090100	-	100%
CANADA	CR PNG 0419090124	-	100%
CANADA	FH PET M122146 HERITAGE	-	100%
CANADA	FH PET M122147 HERITAGE	-	100%
CANADA	FH PET M122148 HERITAGE	-	100%
CANADA	CR PNG 0419120098	-	50%
CANADA	FH PET M121624 HERITAGE	-	100%
CANADA	FH PET M121623 HERITAGE	-	100%
CANADA	CR PNG 0420020014	-	50%
CANADA	FH PET M122657 HERITAGE	-	100%
CANADA	FH PET PRAIRIESKY	-	50%
CANADA	FH PET PRAIRIESKY	-	50%
CANADA	FH PET PRAIRIESKY	-	50%
CANADA	FH PET PRAIRIESKY	-	50%
CANADA	FH PET PRAIRIESKY	-	50%
CANADA	FH PET PRAIRIESKY	-	50%
CANADA	FH OPTION DE NEVE, VIRGINIA	-	0%
CANADA	FH OPTION DE NEVE, VIRGINIA	-	0%
CANADA	FH PNG FUHR ET AL	-	50%
CANADA	FH PNG FUHR, DARRYL	-	50%
CANADA	CR PNG 0421050026	-	100%
CANADA	CR PNG 0421070003	-	100%
CANADA	CR PNG 0421070004	-	100%
CANADA	CR PNG 0421070018	-	100%
CANADA	CR PNG 0421070022	-	100%
CANADA	FH NG M235624 PRAIRIESKY	Acquired in Q3	100%
CANADA	FH PET M235625 PRAIRIESKY	Acquired in Q3	100%
CANADA	FH PET M235626 PRAIRIESKY	Acquired in Q3	100%
CANADA	FH PET M235627 PRAIRIESKY	Acquired in Q3	100%
CANADA	FH PET M235628 PRAIRIESKY	Acquired in Q3	100%
CANADA	FH PET M123889 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123890 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123891 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123892 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123893 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123894 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123895 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123896 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123897 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123898 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123899 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123900 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123901 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123902 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123903 HERITAGE	Acquired in Q3	100%
CANADA	FH PET M123904 HERITAGE	Acquired in Q3	100%
CANADA	FH PNG CAMERON ET AL	Acquired in Q3	50%
CANADA	FH PNG DAVIDSON, D & M	Acquired in Q3	50%
CANADA	FH PNG DAVIDSON, D & M	Acquired in Q3	50%
CANADA	CR PNG 0421090068	Acquired in Q3	100%
CANADA	CR PNG 0421090086	Acquired in Q3	100%
CANADA	CR PNG 65101	-	100%
CANADA	CR DRILL LIC 66255	-	100%
CANADA	CR DRILL LIC 66256	-	100%
CANADA	CR DRILL LIC 66312	-	100%
CANADA	CR DRILL LIC 66313	-	100%
CANADA	CR DRILL LIC 66338	-	100%
CANADA	CR DRILL LIC 66386	-	100%
CANADA	CR DRILL LIC 66419	-	100%
CANADA	CR DRILL LIC 66420	-	100%
CANADA	CR DRILL LIC 66421	-	100%
CANADA	CR DRILL LIC 66422	-	100%
CANADA	CR DRILL LIC 66441	-	100%
CANADA	CR DRILL LIC 66442	-	100%
CANADA	CR DRILL LIC 66443	-	100%
CANADA	CR DRILL LIC 66479	-	100%
CANADA	CR DRILL LIC 66480	-	100%
CANADA	CR DRILL LIC 66481	-	100%
CANADA	CR DRILL LIC 66515	-	100%
CANADA	CR DRILL LIC 66550	-	100%



Country	Lease name & number	Q3 update	Working interest
CANADA	FH PET M220455 PRAIRIESKY	-	100%
CANADA	FH PET M220453 PRAIRIESKY	-	100%
CANADA	CR PNG 0480070319	-	100%
CANADA	CR PNG 0493120104	-	100%
CANADA	CR PNG 0416080025	-	50%
CANADA	FH OPTION COMPUTERSHARE	-	0%
CANADA	CR PNG 0416090101	-	100%
CANADA	CR PNG 0413120218	-	100%
CANADA	CR PNG 0413120219	-	100%
CANADA	FH PET M118341 HERITAGE	-	100%
CANADA	FH PET M118342 HERITAGE	-	100%
CANADA	FH PET M118347 HERITAGE	-	100%
CANADA	FH PET M118348 HERITAGE	-	100%
CANADA	FH PET M118353 HERITAGE	-	100%
CANADA	FH PET M118356 HERITAGE	-	100%
CANADA	FH PET M118358 HERITAGE	-	100%
CANADA	FH PET M118359 HERITAGE	-	100%
CANADA	FH PET M118370 HERITAGE	-	100%
CANADA	FH PET M118371 HERITAGE	-	100%
CANADA	FH PET M118372 HERITAGE	-	100%
CANADA	FH PET M118373 HERITAGE	-	100%
CANADA	FH PET M118374 HERITAGE	-	100%
CANADA	FH PET M118375 HERITAGE	-	100%
CANADA	FH PET M118376 HERITAGE	-	100%
CANADA	FH PET M202723 HERITAGE	-	100%
CANADA	FH PET M201227 HERITAGE	-	100%
CANADA	FH PET M201223 HERITAGE	-	100%
CANADA	FH PET M201225 HERITAGE	-	100%
CANADA	FH PET M201221 HERITAGE	-	100%
CANADA	FH PET M201222 HERITAGE	-	100%
CANADA	FH PET M201026 HERITAGE	-	100%
CANADA	FH PET M201010 HERITAGE	-	100%
CANADA	FH PET M201015 HERITAGE	-	100%
CANADA	FH PET M201016 HERITAGE	-	100%
CANADA	FH PET M200640 HERITAGE	-	100%
CANADA	CR PNG 0416110119	-	100%
CANADA	CR PNG 0417010014	-	100%
CANADA	CR PNG 0417010017	-	100%
CANADA	CR PNG 0417010018	-	100%
CANADA	CR PNG 0417010152	-	100%
CANADA	CR PNG 0417020014	-	100%
CANADA	CR PNG 0417020016	-	100%
CANADA	FH PNG GODKIN ET AL	-	100%
CANADA	FH PNG SPROWL ET AL	-	100%
CANADA	FH PNG WATKINS ET AL	-	100%
CANADA	FH PNG WURBAN, FRANCES	-	100%
CANADA	CR PNG 0417030006	-	100%
CANADA	CR PNG 0417030109	-	100%
CANADA	CR PNG 0417030155	-	100%
CANADA	CR PNG 0417030156	-	100%
CANADA	CR PNG 0417030158	-	100%
CANADA	CR PNG 0417030159	-	50%
CANADA	CR PNG 0417040004	-	100%
CANADA	CR PNG 0417040005	-	100%

Country	Lease name & number	Q3 update	Working interest
CANADA	CR DRILL LIC 66581	-	100%
CANADA	CR PNG 67035	-	100%
CANADA	CR PNG 67036	-	100%
CANADA	CR PNG 67042	-	100%
CANADA	CR PNG 67043	-	100%
CANADA	CR PNG 67044	-	100%
CANADA	CR PNG 67045	-	100%
CANADA	CR PNG 67046	-	100%
CANADA	CR PNG 67047	-	100%
CANADA	CR PNG 67048	-	100%
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