



Kind. Honest. Work Horse.

Earth Horse Energy Advisors' Monthly Market Overview June 2023

During June, 31 of the 48 publicly traded TSX E&P companies (with assets focused predominately in Canada) rose in value, while one company (**Gear Energy Ltd.**) was flat and 16 companies fell month-over-month. Of those companies that had an increase in their share price, the rise ranged from 0.05% (**Topaz Energy Corp.**) to **Tenaz Energy Corp's** 25.42 % rise; Tenaz rose 8.76% last month and was the biggest gainer during the first half of 2023 at 37.67%. On a combined basis, the TSX E&P group had an average increase of 2.32% and a 1.76% median rise in June.

As for the companies listed on the TSX Venture exchange, only three companies had an increase in their share price, two were flat and the remaining 15 companies experienced a drop. The average movement for the group was 10.65% to the downside and a median fall of 10.56%.

Oil and natural gas increased month-over-month. WTI oil prices rose early in June amid bullish sentiment following the passage of a U.S. debt ceiling bill in Washington and Saudi Arabia pledging to cut production by another 1.0 million barrels per day from July. During the month, U.S. crude stocks posted a surprise draw helped by strong demand and low imports. However, the gains in oil were limited by worries over interest rate hikes and a less than expected rate cut from China. At the tailend of the month, U.S. Q1 2023 GDP was revised up to a 2.0% annualized rate from the 1.3% reported previously, adding to the strength of oil. WTI oil was up 4.57% during the month, closing at USD \$70.64/bbl while Edmonton Par rose 7.56% to USD \$68.19/bbl.

The U.S. Energy Department bought 3.2 million barrels of oil for the Strategic Petroleum Reserve bringing the total to 6.0 million barrels bought this year. It hopes to buy 12 million barrels in total this year.

Canadian heavy crude prices remain relatively strong compared to the last year and the differential to U.S. crude narrowed due to seasonal maintenance in the oil sands and concerns about the threat of wildfires in northern British Columbia and Alberta. WCS climbed 8.85% to USD \$58.31/bbl.

NYMEX natural gas spiked 21.07% closing at USD \$2.71/MMBtu while AECO had a more significant jump, increasing nearly 24% ending the month at USD \$1.76/MMBtu. U.S. natural gas prices climbed as the daily amount of natural gas flowing to LNG export plants increased, there was a smaller than expected storage build, forecasts for hotter-than-normal U.S. weather to continue through mid-July and rising prices in Europe had an impact.

Below we illustrate the changes in commodities and in the Canadian dollar during June 2023; the Canadian dollar increased 2.49% to 0.7552.

	WTI Oil (\$USD/bbl)	WCS (\$USD/bbl)	Cdn Light (\$USD/bbl)	NYMEX (\$USD/MMBtu)	AECO (\$USD/MMBtu)	CDN\$/USD\$
June 2023 Average	\$70.31	\$58.84	\$68.15	\$2.48	\$1.44	0.7526
End of June 2023	\$70.64	\$58.31	\$68.19	\$2.71	\$1.76	0.7552
End of May 2023	\$67.55	\$53.57	\$63.40	\$2.24	\$1.42	0.7369
Month-over-Month Change	4.57%	8.85%	7.56%	21.07%	23.94%	2.49%

Sources: GLJ, TradingView, Oilprice.com

TSX-Listed E&P (Canadian Focused Operations) June 2023 Share Price Movements

As previously mentioned, 31 of the 48 E&P companies (with domestic assets) on the TSX had an increase in their share price in June, while one company was flat (**Gear Energy Ltd.**) and the remaining 16 companies fell month-over-month.

The top performer in June was **Tenaz Energy Corp.**, which increased 25.42% to \$2.96/share. Recall that Tenaz was the top performer in May as well, increasing 8.65% and was in consolidation mode over the previous months. Tenaz spiked near the end of June after it announced that it had consolidated certain interests it holds in the Netherlands through the acquisition of **XTO Netherlands Ltd.** from **XH LLC**, a wholly owned subsidiary of **ExxonMobil Corporation**.

Perpetual Energy Inc. was the second-best performer in June, rising 22.45% to \$0.60/share and regaining most of what it lost in May.

Advantage Energy Ltd. rounded out the top three performers, rising 18.33% to \$8.65/share. **Entropy Inc.**, a subsidiary of Advantage provided a corporate update, including new performance achievements at its Glacier post-combustion carbon capture and storage project and increasing activities in the United States. Advantage later announced that "Glacier well results continue to achieve new benchmarks" and that "Wembley, Valhalla and Progress have now been established as top-tier development-ready liquids assets."

TSX-Listed E&P (Canadian Focused Operations) June 2023 Share Price Movements

Company	TSX Ticker	June 2023 % Change	End of June 2023	End of May 2023
Tenaz Energy Corp.	TNZ	25.42%	\$2.96	\$2.36
Perpetual Energy Inc.	PMT	22.45%	\$0.60	\$0.49
Advantage Energy Ltd.	AAV	18.33%	\$8.65	\$7.31
Ovintiv Inc.	OVV	12.37%	\$50.42	\$44.87
Vermilion Energy Inc.	VET	11.85%	\$16.52	\$14.77
Imperial Oil Limited	IMO	10.00%	\$67.78	\$61.62
Tourmaline Oil Corp.	TOU	9.99%	\$62.42	\$56.75
Crew Energy Inc.	CR	9.90%	\$5.44	\$4.95
Pieridae Energy Limited	PEA	9.80%	\$0.56	\$0.51
Pine Cliff Energy Ltd.	PNE	8.33%	\$1.43	\$1.32
ARC Resources Ltd.	ARX	8.01%	\$17.67	\$16.36
Bonterra Energy Corp.	BNE	6.68%	\$5.59	\$5.24
Kelt Exploration Ltd.	KEL	5.67%	\$5.59	\$5.29
Petrus Resources Ltd.	PRQ	5.30%	\$1.59	\$1.51
Crescent Point Energy Corp.	CPG	4.21%	\$8.92	\$8.56
Saturn Oil & Gas Inc.	SOIL	4.03%	\$2.20	\$2.11
Yangarra Resources Ltd.	YGR	3.77%	\$1.65	\$1.59
Obsidian Energy Ltd.	OBE	3.75%	\$7.75	\$7.47
Cenovus Energy Inc.	CVE	3.73%	\$22.50	\$21.69
MEG Energy Corp.	MEG	2.39%	\$21.00	\$20.51
Birchcliff Energy Ltd.	BIR	2.35%	\$7.84	\$7.66
Suncor Energy Inc.	SU	2.18%	\$38.86	\$38.03
Journey Energy Inc.	JOY	2.05%	\$5.47	\$5.36
Canadian Natural Resources Limited	CNQ	1.85%	\$74.48	\$73.13
PrairieSky Royalty Ltd.	PSK	1.67%	\$23.16	\$22.78
Paramount Resources Ltd.	POU	1.09%	\$28.80	\$28.49
Athabasca Oil Corporation	ATH	1.06%	\$2.87	\$2.84
Baytex Energy Corp.	BTE	0.93%	\$4.32	\$4.28
InPlay Oil Corp.	IPO	0.82%	\$2.47	\$2.45
Peyto Exploration & Development Corp.	PEY	0.09%	\$10.96	\$10.95
Topaz Energy Corp.	TPZ	0.05%	\$20.63	\$20.62
Gear Energy Ltd.	GXE	0.00%	\$0.96	\$0.96
Whitecap Resources Inc.	WCP	-0.22%	\$9.27	\$9.29
NuVista Energy Ltd.	NVA	-1.58%	\$10.62	\$10.79
Spartan Delta Corp.	SDE	-1.95%	\$14.60	\$14.89
Headwater Exploration Inc.	HWX	-2.01%	\$6.35	\$6.48
Cardinal Energy Ltd.	CJ	-3.66%	\$6.58	\$6.83
Kiwetinohk Energy Corp.	KEC	-3.84%	\$12.01	\$12.49
Freehold Royalties Ltd.	FRU	-4.00%	\$13.44	\$14.00
Hammerhead Resources Ltd.	HHRB	-4.19%	\$9.60	\$10.02
Tamarack Valley Energy Ltd.	TVE	-4.46%	\$3.21	\$3.36
Rubellite Energy Inc.	RBY	-4.55%	\$1.68	\$1.76
International Petroleum Corporation	IPCO	-4.99%	\$10.85	\$11.42
Surge Energy Inc.	SGY	-5.76%	\$7.04	\$7.47
Prairie Provident Resources Inc.	PPR	-6.25%	\$0.08	\$0.08
Pipestone Energy Corp.	PIPE	-6.58%	\$2.27	\$2.43
Questerre Energy Corporation	QEC	-12.50%	\$0.21	\$0.24
i3 Energy plc	ITE	-22.03%	\$0.23	\$0.30
Average Increase/Decrease		2.32%		
Median Increase/Decrease		1.76%		
Number of Companies with Share Price Increases		31		
Number of Companies Flat Month Over Month		1		
Number of Companies with Share Price Declines		16		
Largest Share Price Increase		25.42%		
Largest Share Price Decline		-22.03%		

The three worst-performing stocks in June 2023 were **i3 Energy plc**, **Questerre Energy Corporation** and **Pipestone Energy Corp.** i3 dropped 22.03% in June, Questerre was down 12.50% and Pipestone fell 6.58%.

TSX-Listed E&P (Canadian Focused Operations) First Half of 2023 Share Price Movements

During the first six months of 2023, 10 of the 48 E&P companies (with domestic assets) on the TSX had an increase in their share price, while 38 companies lost value.

The top performer for the first half of 2023 was **Tenaz Energy Corp.**, which increased 37.67% from \$2.15/share to \$2.96/share. Much of Tenaz's increase came in May and especially in June after the company announced the acquisition of **XTO Netherlands Ltd. Athabasca Oil Corporation** was the second-best performer, rising 19.09% while **Kelt Exploration Ltd.** notched the third spot with a 11.58% increase.

Company	TSX Ticker	H1 2023 % Change	End of H1 2023	End of 2022
Tenaz Energy Corp.	TNZ	37.67%	\$2.96	\$2.15
Athabasca Oil Corporation	ATH	19.09%	\$2.87	\$2.41
Kelt Exploration Ltd.	KEL	11.58%	\$5.59	\$5.01
MEG Energy Corp.	MEG	11.41%	\$21.00	\$18.85
Headwater Exploration Inc.	HWX	7.26%	\$6.35	\$5.92
PrairieSky Royalty Ltd.	PSK	6.73%	\$23.16	\$21.70
Questerre Energy Corporation	QEC	5.00%	\$0.21	\$0.20
Imperial Oil Limited	IMO	2.77%	\$67.78	\$65.95
Paramount Resources Ltd.	POU	0.56%	\$28.80	\$28.64
Journey Energy Inc.	JOY	0.18%	\$5.47	\$5.46
Canadian Natural Resources Limited	CNQ	-0.94%	\$74.48	\$75.19
Spartan Delta Corp.	SDE	-2.34%	\$14.60	\$14.95
Topaz Energy Corp.	TPZ	-2.37%	\$20.63	\$21.13
ARC Resources Ltd.	ARX	-3.18%	\$17.67	\$18.25
Crew Energy Inc.	CR	-3.37%	\$5.44	\$5.63
Saturn Oil & Gas Inc.	SOIL	-6.60%	\$2.20	\$2.35
Crescent Point Energy Corp.	CPG	-7.66%	\$8.92	\$9.66
Tourmaline Oil Corp.	TOU	-8.64%	\$62.42	\$68.32
Advantage Energy Ltd.	AAV	-8.66%	\$8.65	\$9.47
Rubellite Energy Inc.	RBV	-9.19%	\$1.68	\$1.85
Suncor Energy Inc.	SU	-9.52%	\$38.86	\$42.95
Cardinal Energy Ltd.	CJ	-13.65%	\$6.58	\$7.62
Whitecap Resources Inc.	WCP	-13.69%	\$9.27	\$10.74
Obsidian Energy Ltd.	OBE	-13.70%	\$7.75	\$8.98
Cenovus Energy Inc.	CVE	-14.35%	\$22.50	\$26.27
NuVista Energy Ltd.	NVA	-14.90%	\$10.62	\$12.48
Gear Energy Ltd.	GXE	-15.04%	\$0.96	\$1.13
Freehold Royalties Ltd.	FRU	-15.10%	\$13.44	\$15.83
Pine Cliff Energy Ltd.	PNE	-15.38%	\$1.43	\$1.69
Perpetual Energy Inc.	PMT	-15.49%	\$0.60	\$0.71
Birchcliff Energy Ltd.	BIR	-16.86%	\$7.84	\$9.43
Bonterra Energy Corp.	BNE	-17.31%	\$5.59	\$6.76
Kiwetinohek Energy Corp.	KEC	-17.57%	\$12.01	\$14.57
InPlay Oil Corp.	IPO	-18.48%	\$2.47	\$3.03
Peyto Exploration & Development Corp.	PEY	-20.98%	\$10.96	\$13.87
Surge Energy Inc.	SGY	-22.72%	\$7.04	\$9.11
Pipestone Energy Corp.	PIPE	-24.33%	\$2.27	\$3.00
Ovintiv Inc.	OVV	-26.46%	\$50.42	\$68.56
Tamarack Valley Energy Ltd.	TVE	-28.03%	\$3.21	\$4.46
Baytex Energy Corp.	BTE	-28.95%	\$4.32	\$6.08
International Petroleum Corporation	IPCO	-29.55%	\$10.85	\$15.40
Vermilion Energy Inc.	VET	-31.08%	\$16.52	\$23.97
Hammerhead Resources Ltd.	HHRS	-33.05%	\$9.60	\$14.34
Petrus Resources Ltd.	PRQ	-35.37%	\$1.59	\$2.46
Prairie Provident Resources Inc.	PPR	-40.00%	\$0.08	\$0.13
Yangarra Resources Ltd.	YGR	-41.28%	\$1.65	\$2.81
i3 Energy plc	ITE	-42.50%	\$0.23	\$0.40
Pieridae Energy Limited	PEA	-55.20%	\$0.56	\$1.25
Average Increase/Decrease		-12.94%		
Median Increase/Decrease		-14.02%		
Number of Companies with Share Price Increases		10		
Number of Companies Flat Month Over Month		0		
Number of Companies with Share Price Declines		38		
Largest Share Price Increase		37.67%		
Largest Share Price Decline		-55.20%		

TSX-Venture Listed E&P (Canadian Focused Operations) June 2023 Share Price Movements

As previously mentioned, and outlined below, during June 2023, TSX-Venture listed E&P companies (with operations focused mainly in Canada) had a challenging month, much like in May. Only three companies had an increase in their share price, while two were flat and the remaining 15 companies had a fall in their share price month-over-month.

Coelacanth Energy Inc. had the largest increase in June, rising 19.40% from \$0.67/share to \$0.80/share in the month. Coelacanth provided an operations update relating to its Two Rivers East and West projects and announced that it had entered into a midstream processing agreement with **NorthRiver Midstream Inc.** to secure up to 60 MMcf/d of firm processing service at NorthRiver's McMahon gas processing facility for a period of 10 years. The processing service will commence after the construction of Coelacanth's Two Rivers East facility. As part of the arrangement, NorthRiver has agreed to finance certain related gathering infrastructure to interconnect Coelacanth's Two Rivers East facility to NorthRiver's current gathering system.

Canadian Spirit Resources Inc. and **Tuktu Resources Ltd.** were the additional companies that climbed in June; each increased \$0.01/share or 16.667% to end the month at \$0.07/share.

Only 373,000 shares were traded in Canadian Spirit during June with a total \$26,720 changing hands. Similarly, Tuktu had approximately \$21,860 or 302,000 shares traded in June.

On a combined basis, the TSX-V E&P companies had an average decrease of 10.65% during June 2023 and a median fall of 10.56%. The biggest decliners were **Vital Energy Inc.**, **Criterion Energy Ltd.** and **Cypress Hills Resource Corp.** Vital fell 51.61% to \$0.15/share while Criterion dropped 40% and Cypress Hills was down 30%.

Company	TSX-V Ticker	June 2023 % Change	End of June 2023	End of May 2023
Coelacanth Energy Inc.	CEI	19.40%	\$0.80	\$0.67
Canadian Spirit Resources Inc.	SPI	16.67%	\$0.07	\$0.06
Tuktu Resources Ltd.	TUK	16.67%	\$0.07	\$0.06
Cobra Venture Corporation	CBV	0.00%	\$0.16	\$0.16
Wescan Energy Corp.	WCE	0.00%	\$0.06	\$0.06
Hemisphere Energy Corporation	HME	-1.61%	\$1.22	\$1.24
ROK Resources Inc.	ROK	-6.06%	\$0.31	\$0.33
Lycos Energy Inc.	LCX	-6.98%	\$0.40	\$0.43
Source Rock Royalties Ltd.	SRR	-7.14%	\$0.78	\$0.84
Pulse Oil Corp.	PUL	-10.00%	\$0.05	\$0.05
PetroFrontier Corp.	PFC	-11.11%	\$0.08	\$0.09
Razor Energy Corp.	RZE	-14.08%	\$0.61	\$0.71
Tenth Avenue Petroleum Corp.	TPC	-16.13%	\$0.13	\$0.16
Altima Resources Ltd.	ARH	-16.67%	\$0.05	\$0.06
Prospera Energy Inc.	PEI	-16.67%	\$0.10	\$0.12
Highwood Oil Company Ltd.	HAM	-17.65%	\$7.00	\$8.50
Petrolympic Ltd.	PCQ	-20.00%	\$0.04	\$0.05
Cypress Hills Resource Corp.	CHY	-30.00%	\$0.07	\$0.10
Criterion Energy Ltd.	CEQ	-40.00%	\$0.21	\$0.35
Vital Energy Inc.	VUX	-51.61%	\$0.15	\$0.31
Average Increase/Decrease		-10.65%		
Median Increase/Decrease		-10.56%		
Number of Companies with Share Price Increases		3		
Number of Companies Flat Month Over Month		2		
Number of Companies with Share Price Declines		15		
Max Share Price Increase		19.40%		
Greatest Share Price Decline		-51.61%		

TSX-Venture Listed E&P (Canadian Focused Operations) First Half of 2023 Share Price Movements

During the first six months of 2023, only two of the 20 E&P companies (with domestic assets) listed on the TSX-Venture had an increase in their share price, while four were flat and the remaining 14 companies lost value.

The two companies that increased in value were **Criterion Energy Ltd.** and **Source Rock Royalties Ltd.**, which increased 5.0% and 2.63% respectively.

The average decline in the first half of the year was 25.22% while the median fall was 32.21%.

The largest decliner was **Wescan Energy Corp.** which plummeted 64.71% from \$0.17/share to \$0.06/share.

Company	TSX-V Ticker	H1 2023 % Change	End of H1 2023	End of 2022
Criterion Energy Ltd.	CEQ	5.00%	\$0.21	\$0.20
Source Rock Royalties Ltd.	SRR	2.63%	\$0.78	\$0.76
Altima Resources Ltd.	ARH	0.00%	\$0.05	\$0.05
Coelacanth Energy Inc.	CEI	0.00%	\$0.80	\$0.80
PetroFrontier Corp.	PFC	0.00%	\$0.08	\$0.08
Prospera Energy Inc.	PEI	0.00%	\$0.10	\$0.10
Hemisphere Energy Corporation	HME	-6.87%	\$1.22	\$1.31
Cypress Hills Resource Corp.	CHY	-12.50%	\$0.07	\$0.08
Cobra Venture Corporation	CBV	-15.79%	\$0.16	\$0.19
Tuktu Resources Ltd.	TUK	-30.00%	\$0.07	\$0.10
Lycos Energy Inc.	LCX	-34.43%	\$0.40	\$0.61
ROK Resources Inc.	ROK	-35.42%	\$0.31	\$0.48
Canadian Spirit Resources Inc.	SPI	-36.36%	\$0.07	\$0.11
Highwood Oil Company Ltd.	HAM	-37.78%	\$7.00	\$11.25
Pulse Oil Corp.	PUL	-40.00%	\$0.05	\$0.08
Petrolympic Ltd.	PCQ	-42.86%	\$0.04	\$0.07
Tenth Avenue Petroleum Corp.	TPC	-48.00%	\$0.13	\$0.25
Vital Energy Inc.	VUX	-53.13%	\$0.15	\$0.32
Razor Energy Corp.	RZE	-54.14%	\$0.61	\$1.33
Wescan Energy Corp.	WCE	-64.71%	\$0.06	\$0.17
Average Increase/Decrease		-25.22%		
Median Increase/Decrease		-32.21%		
Number of Companies with Share Price Increases		2		
Number of Companies Flat Month Over Month		4		
Number of Companies with Share Price Declines		14		
Max Share Price Increase		5.00%		
Greatest Share Price Decline		-64.71%		

Canadian E&P M&A Activity in June 2023

In June 2023, there was only one publicly announced M&A transaction in the Canadian oil & natural gas sector.

Source Rock Royalties Ltd. announced that it has closed the acquisition of fee title mineral interests in two quarter sections of land and a 2% gross overriding royalty in approximately 5,800 gross acres (9 sections) of land in S.E. Saskatchewan for a combined purchase price of \$3.3 million.

The purchase of the 20% fee title interest includes a commitment to drill two additional horizontal wells on or before October 31, 2023, however it is anticipated that both wells will be drilled in June 2023. Each fee title commitment well not satisfied will result in \$200,000 in damages being due to Source Rock.

A portion of the GORR lands are contiguous to or directly offsetting Source Rock's existing royalty lands. The majority of the GORR lands are 100% working interest lands owned and operated by **Anova Resources Inc.**, a company which Source Rock has completed other transactions with. As part of the purchase of the GORR, Source Rock has received a drill commitment for 12 additional horizontal wells to be drilled on Source Rock's royalty lands prior to May 31, 2025. Source Rock is entitled to \$125,000 in damages for each commitment well not drilled before the deadline.

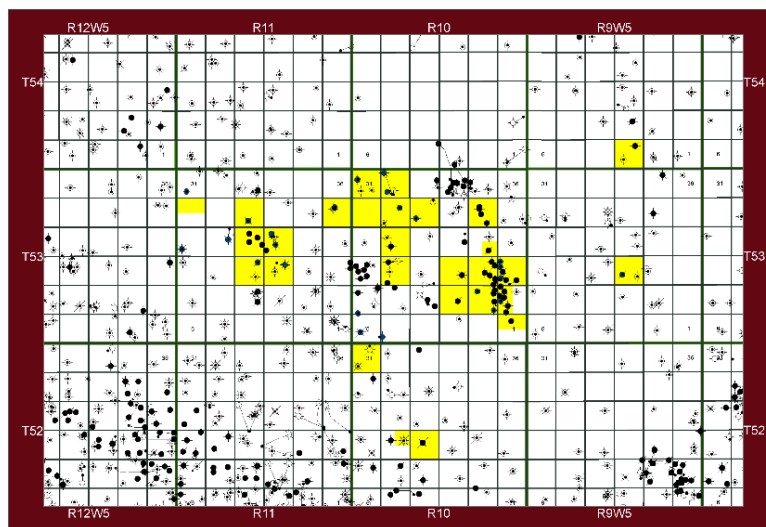
There are a couple of packages that were put on the market prior to the summer months, including one in which **Earth Horse Energy Advisors** has been engaged as exclusive financial advisor and agent. The highlights are listed below.

West 5 Resources Inc. Corporate Divestiture

Earth Horse has been retained as the exclusive financial advisor and agent to West 5 Resources Inc. with a corporate sale process. West 5 has assets that are located in the Chip Lake/Northville area of Alberta (the "Property").

- Focused company with no employees, no severance, no office obligations, no debt and a working capital surplus of approximately \$500,000
- 319 boe/d (52% Liquids) of long-life, light (37.8o API) sweet oil producing from the Rock Creek Formation Operated
- High working interests in the Chip Lake/Northville area of west-central Alberta
- Waterflood and well reactivations have improved production, cash flow and recovery of reserves
- Net Operating Income of approximately \$3.6 million per year
- In November 2022, 30 e3m3/d of third-party production began being processed at West 5's 10-29 gas plant at a fee of \$35.00/e3m
- 100% owned and operated infrastructure with a gas plant with NGL recovery
- 40 e3m3/d of firm service with TC Energy for natural gas delivery
- PDP and Total Proved reserves of 919.2 Mbbbl and 2P reserves of 1.241MMboe with a RLI of 7.9 years and 10.7 years respectively
- Unbooked Infill drilling locations in the Rock Creek
- LLR of 1.34 as at June 2023 which is expected to increase

Township 52-54 Range 9-11 W5



	April 2023 Production					Jan - April 2023 NOI Annualized ⁽¹⁾	Estimated 2023 PDP Production	Reserves			NPV (BT @10%) ⁽²⁾			Reserve Life Index			June 2023 LLR	
	Oil & Condensate (bbl/d)	Natural Gas (Mcf/d)	NGLs (bbl/d)	Total (boe/d)	Liquids (%)	(\$)	PDP (boe/d)	PDP (Mboe)	TP (Mboe)	2P (Mboe)	PDP (\$000s)	TP (\$000s)	2P (\$000s)	PDP	TP	2P	Deemed Asset Value	Ratio
	Corporate Total	145	909	23	319	52%	\$3,563,915	258	919	919	1,241	12,218	12,218	13,245	7.9	7.9	10.7	\$2,377,232

Board of Director & Executive Changes in June 2023

On closing of its merger with **Ranger Oil Corporation**, **Baytex Energy Corp.** announced the appointment Mr. Jeffrey E. Wojahn and Ms. Tiffany (“T.J.”) Thom Cepak to the Baytex board of directors, which “provides continuity and experience with the Ranger business and expertise in U.S. regulatory and operating matters.”

Lycos Energy Inc. announced that Ms. Geri Greenall was elected to its board of directors at the annual general and special meeting of shareholders. Ms. Greenall is currently a director of **Kelt Exploration Ltd.** and the Chief Financial Officer of **Spartan Delta Corp.** She has over 22 years of experience in the energy and financial services sectors, including over a decade of experience as a Portfolio Manager and Chief Compliance Officer for investment fund managers. Ms. Greenall holds a Bachelor of Commerce in Finance from the **University of Calgary** as well as the Chartered Financial Analyst and Institute of Corporate Directors designations. Ms. Greenall also holds the FSA Level 1 Credential from the Sustainable Accounting Standards Board.

Lycos also announced that Mr. Don Cowie, who decided not to stand for re-election at the annual meeting, has retired from the company's board of directors.

Paramount Resources Ltd. announced the appointment of Ms. Jill McAuley to its board of directors. Ms. McAuley has 19 years of operational and technical experience in the oil and natural gas sector, including senior executive responsibility for corporate strategy, asset development, reservoir management, marketing and forecasting. She was a founder and Senior Vice President of **Deltastream Energy Corporation** from 2014 until its successful sale in 2022. From 2004 to 2014, Ms. McAuley was an exploitation engineer with an intermediate exploration and production company. Ms. McAuley is a professional engineer and holds a Bachelor of Science in Biological and Chemical Engineering from the **University of British Columbia**.

Pieridae Energy Limited announced that Mr. Alfred Sorensen, Chief Executive Officer and Director of the company, has indicated his intention to retire from the roles shortly, with a date to be determined. Pieridae recently completed a refinancing and the company plans to transition away from its LNG project and focus on its upstream and midstream assets in the Foothills with Mr. Sorensen believing it is a logical time to transition the leadership of the Company.

Saturn Oil & Gas Ltd. announced the appointment of two new directors, Ms. S. Janet Yang and Mr. Andrew Claugus. Ms. Yang is Research Director, Energy and Mining at **GMT Capital Corp.** Prior to joining GMT, from 2018 to 2023, Ms. Yang was the Executive Vice President and Chief Financial Officer of **W&T Offshore, Inc.**, a Texas based oil & gas exploration and production company traded on the New York Stock Exchange. Ms. Yang holds an MBA from the Booth School of Business at the **University of Chicago**, and a BA in Economics from **Rice University**. Mr. Claugus is an entrepreneur and independent businessman, with extensive experience in petroleum engineering. From 2014 to 2022, Mr. Claugus was the Engineering Manager for **MECO IV, LLC**, which, prior to its acquisition, was a private oil & gas exploration and production company based in Denver, Colorado. Following the sale, Mr. Claugus founded **WhiteFin Resources**, a privately backed oil and gas company investing in non-operated interests in core areas of established basins. Mr. Claugus holds a Master of Engineering in Petroleum Engineering from **Colorado School of Mines**, and a BsC in Chemical Engineering, from **Case Western Reserve University**.

In addition, Saturn announced that Mr. Grant MacKenzie would become the company's Chief Legal Officer. Mr. MacKenzie was a partner with **Dentons Canada LLP** and the Corporate co-lead of the Calgary office since 2018.

Suncor Energy Inc. announced that Mr. Dave Oldreive joined Suncor as executive vice president, Downstream. Mr. Oldreive has nearly 30 years of energy industry experience, including extensive experience in Canadian refining and a keen understanding of the Canadian market. Through his career with **ExxonMobil** and **Imperial Oil** working in Canada, the United States and Singapore, Mr. Oldreive held various roles in engineering, operations, supply, and corporate functions with increasing responsibility. He holds a mechanical engineering degree from **Dalhousie University** and a Master of Business Administration from **Saint Mary's University**.

Miscellaneous News Announced in June 2023

Near the end of June, **Tenaz Energy Corp.** announced that it had entered into an agreement to acquire 100% of the issued and outstanding shares of **XTO Netherlands Ltd.** from **XH LLC**, a wholly owned subsidiary of **ExxonMobil Corporation**. The acquisition increases Tenaz's working interest in each of the L10/L11a, K9, K12 and N7b license blocks with estimated production of 450-500 boe/d in 2023. Tenaz will also acquire an additional 10.1% ownership interest in **Noordgastransport B.V.** (“NGT”), bringing its total interest to 21.4% resulting in Tenaz being the second largest shareholder of NGT. Tenaz expects to receive distributions from its ownership in NGT through annual dividends with decommissioning costs for NGT being provisioned and held within NGT's working capital.

In addition to the license interests and NGT equity held by XTO, XH will leave approximately \$46.5 million of positive adjusted working capital, which includes a cash balance of approximately \$61.8 million, in the acquired entity at closing.

Closing of the acquisition is expected to occur in Q3 2023.

Early in June, **Trans Mountain Corp.** filed a regulatory application for tolls on its 590,000 barrel per day (bpd) pipeline expansion to Canada's west coast, noting shipping fees would increase if project costs continued to mount which was expected to balloon to \$30.9 billion, nearly quadruple the original estimate.

In an application to the **Canadian Energy Regulator** (CER) dated June 1, TMC proposed a base toll of \$11-\$12/bbl, depending on the type of crude shipped and its final destination. Any shipper committing to a term longer than 15 years or more than 75,000 bpd would receive a discount. In addition, the toll is estimated to increase approximately \$0.07/bbl for every additional \$100.0 million spent to finish the pipeline.

Oil shippers on the Trans Mountain expansion project are challenging the proposed pipeline tolls citing concerns about significant costs increases. **Suncor Energy, Cenovus Energy** and **BP Plc** registered to intervene in the toll application.

A U.S. judge has ordered **Enbridge Inc.** to close portions of Line 5, a Wisconsin oil pipeline that runs through tribal land within three years and to pay the tribe nearly \$5.2 million for trespassing plus a portion of its profits until the shutdown is completed. The judge's action came just over a month after the **Bad River Band** told him an immediate shutdown was needed following heavy spring rains that eroded a riverbank protecting the pipe. The pipeline carries 540,000 barrels of oil per day from Canada through the Great Lakes region. An Enbridge spokesperson said the company plans to appeal the judge's order.

Baytex Energy Corp. announced that the TSX accepted the company's notice of intention to renew its normal course issuer bid ("NCIB") to purchase up to 68,417,028 common shares during the 12-month period commencing June 29, 2023 and ending June 28, 2024.

Cardinal Energy Ltd. announced that the TSX accepted its NCIB to purchase up to 12,062,372 common shares over a period of twelve months commencing on June 30, 2023 and will expire no later than June 29, 2024. Cardinal purchased an aggregate of 3,724,156 common shares at a volume weighted average price of \$7.05/share under its previous NCIB.

Imperial Oil Limited announced that the TSX accepted its NCIB to repurchase up to 29,207,635 shares from June 29, 2023, to June 28, 2024.

NuVista Energy Ltd. announced that the TSX approved the renewal of its NCIB. Under the NCIB, NuVista may purchase for cancellation up to a maximum of 16,793,779 common shares from June 16, 2023, to June 15, 2024. Under its previous NCIB, NuVista repurchased 18,190,261 common shares at a weighted average price paid of \$11.59/share.

Petrus Resources Ltd. announced that the TSX accepted its NCIB to purchase up to 6,192,426 common shares from June 28, 2023, to June 27, 2024.

Cenovus Energy Inc. announced that it had reached separate agreements with each of **Hutchison Whampoa Europe Investments S.à r.l.** (HWEI) and **L.F. Investments S.à r.l.** (LFI) to purchase for cancellation all of the warrants held by HWEI and LFI, respectively, representing an aggregate of 45,484,672 warrants for \$711 million in the aggregate. As part of Cenovus's combination with **Husky Energy Inc.**, each Husky shareholder received 0.7845 of a Cenovus common share plus 0.0651 of a Cenovus common share purchase warrant in exchange for each Husky common share, with each whole warrant having an exercise price of \$6.54/share, expiring January 1, 2026. HWEI and LFI will continue to own 316,927,051 common shares (16.7%) and 231,194,699 common shares (12.2%), respectively, of Cenovus's issued and outstanding common shares.

Hammerhead Energy Inc. announced the results of its substantial issuer bid, pursuant to which Hammerhead offered to purchase for cancellation up to 20,000,000 of its warrants to purchase Class A common shares of Hammerhead at a purchase price of US\$1.00 per warrant. A total of 12,852,235 warrants were properly tendered to the offer and not properly withdrawn, representing approximately 45% of the total number of Hammerhead's issued and outstanding warrants as at the time the offer was commenced on April 27, 2023.

Suncor and **TC Energy** both announced that they will cut jobs, aiming to reduce costs and improve its financial performance and "optimize value". Suncor announced it will slash 1,500 jobs while TC did not disclose the amount, but it is estimated to be less than the figure provided by Suncor.

Financings Announced in June 2023

During the month, there were a number of financings announced.

Blacksteel Energy Inc. announced that it issued 5,329,836 common shares at a price of \$0.08/share for gross proceeds of \$426,386.88. After the closing, Blacksteel has 102,687,625 common shares issued and outstanding. Concurrent with the announcement, Blacksteel announced that it grew its 2P reserves by 396% year over year.

Prospera Energy Inc. announces that it has closed a non-brokered private placement of \$3,015,000, by the issue of 3,015 units at \$1,000 per Unit. Each Unit consists of 1,000 Common Shares and one 8% 2-year non-convertible promissory note in the principal amount of \$1,000. Holders will be paid interest of 8% per annum, with interest payments to be made quarterly for a term of 2 years. Prospera intends to use the net proceeds of the offering for infrastructure upgrades to accommodate further production growth, well development capital, well abandonment costs, ongoing ESG initiatives and general working capital.

Argo Gold Inc. announced that it is currently completing a private placement of 12,000,000 shares at a price of \$0.10/share, for gross proceeds of up to \$1.2 million. Argo announced that the proceeds of the financing will be used for participation in Sparky oil wells at Lloydminster and Lindbergh, and for general corporate purposes.

Contact Us!

If you have any questions, please don't hesitate to ask.

In addition to analyzing the market, Earth Horse assists with the sale and purchase of oil & natural gas assets and companies and provides market valuations and fairness opinions.

Contact us Today! We can be reached at Ryan.FY@ehenergyadvisors.com or www.ehenergyadvisors.com.

Happy Calgary Stampede!

Thank you,

Ryan Ferguson Young
President & Founder
Earth Horse Energy Advisors & WCSB Divestitures
Email: Ryan.FY@ehenergyadvisors.com and Ryan.FY@wcsbdivestitures.com
Direct Phone: 403-615-2975

www.ehenergyadvisors.com



www.wcsbdivestitures.com

