

December 23 Quarterly Activities & Cash Flow Report

ASX Code: CE1 OTC: CLEMF

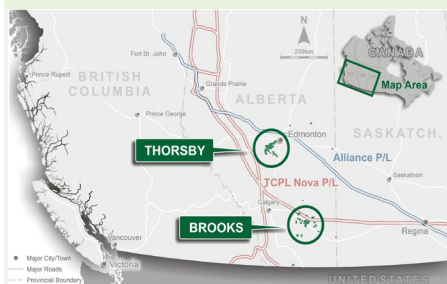
Calima Energy Limited (ASX: CE1) ("Calima" or "the Company") is a Canadian production-focused energy company developing its oil plays at Brooks and Thorsby in southern and central Alberta. Calima is dedicated to responsible corporate practices, and places high value on adhering to strong Environmental, Social and Governance ("ESG") principles.

Directors

Karl DeMong (Managing Director)
Glenn Whiddon (Executive Chairman)
Mark Freeman (Finance Director)
P.L. Tetley (Non Executive Director)

Capital Structure

ASX Code	CE1
Share Price	11 cents
Shares	626 million
Market Cap	A\$68.8 million
Options	
20c exp 2024-2026	14.95 m
16c exp 2024-2025	2.5 m
Performance S/h	12.002 m



HIGHLIGHTS

A\$ million (except where noted)	Q4 2023	Q4 2023	Variance
	Actuals	Forecast	
Production (boe)	352,234	370,580	(18,345)
Average Daily Production (boe/d)	3,829	4,028	(199)
Revenue	\$21.1	\$26.9	(\$5.8)
Royalty and Operating Costs	(\$11.5)	(\$13.7)	\$2.2
G&A and Interest Costs	(\$1.7)	(\$1.3)	\$(0.4)
Realized Hedge gain (loss)	\$0.05	(\$0.2)	\$0.3
EBTDA	\$8.0	\$11.7	(\$3.7)
Capital Expenditures	(\$5.6)	(\$6.5)	\$0.9
Free Cash Flow	\$2.4	\$5.2	(\$2.8)
Net Working Capital Surplus	\$6.1		
Commercial Bank Debt Facility Drawn	Nil		

- **C\$75 Million Cash Sale of Blackspur Oil Corp** – On 5/1/2024 Calima announced a binding definitive agreement with Astara Energy Corp ("Astara") to sell **Blackspur Oil Corp ("Blackspur")** (i.e. Brooks and Thorsby production assets) for a **cash consideration of C\$75 million** prior to customary completion adjustments for net debt (anticipated to be C\$2.5-3m at closing). The Board of Directors has recommended the Blackspur Sale as the market capitalisation of the Company on the ASX has not reflected the inherent value of Blackspur.

Sale Highlights:

- Reflects a post-sale net cash backing of **~12-13 cents (A\$)** per share (after completion adjustments and FX movements)
- Astara (purchaser) is **fully financed** in respect of the acquisition including a C\$5 million deposit held in escrow
- CE1 intends to distribute **no less than 85%** of the sale proceeds to shareholders
- A no-action letter (Advance Ruling Certificate) received from Competition Bureau Canada
- Shareholder approval is set for 15th February 2024 with settlement expected 26 February but no later than 30 March 2024

The Company reported **quarterly group production of 352,234 boe** (~60% oil and liquids), a 5% decrease from forecast largely impacted by delayed first production due to mechanical issues and lower than forecasted production from wells drilled as part of the Q3 capital program.

- **Q4 EBTDA of \$8.0 million:**
 - \$5.8 million lower revenue primarily due to wider WCS differential (~C\$6 per barrel) and to a lesser extent lower WTI price and production.
 - \$2.2 million of combined lower royalties and operating costs
 - \$0.4 million higher G&A & interest costs
- **\$0.9m lower capital expenditures** than forecast mainly due to efficient field drilling operations and fewer workovers than forecast
- **Lower Energy Prices** in Q4, average benchmark energy prices were:
 - US\$78.32/bbl West Texas Intermediate (WTI) (decrease of 4% from Q3)
 - US\$21.89/bbl Western Canada Select benchmark (WCS) differential (70% widening from Q3)
 - \$2.14/GJ AECO (decrease of 13% from Q3)

Karl DeMong, President & CEO Commented:

The Calima team has concluded yet another active quarter, marked by the successful sale of Blackspur Oil Corp and the completion of the three-well Pisces campaign (Pisces 10, 11, and 12).

The sale stands as a substantial gain for our shareholders, projecting net proceeds of approximately A\$80 million. The Company is committed to returning a minimum of 85% of these proceeds to shareholders. Combined with the recent capital return of \$7.5 million in October 2023, this translates to a noteworthy 12-13 cents return per share. This is especially significant compared to our recent share price of approximately 6-7 cents per share before the announcement of the Blackspur sale. Our corporate team is actively working on the most tax-efficient manner to distribute these funds to shareholders, and we will promptly update shareholders.

All conditions precedent, except for Shareholder Approval, have been met, and we anticipate the closing of the transaction around 26th February 2024, with a final deadline of no later than 30 March 2024.

Following the sale and distributions, the Company's focus will shift to maintaining production from the Paradise Well in British Columbia and acquiring additional oil and gas assets.

I extend my gratitude to all shareholders for their patience, and I commend the entire Calima team for their exemplary efforts in ensuring the growth and maintenance of the Blackspur assets, ultimately leading to a successful sale.

BLACKSPUR SALE

The Company announced on 5 January 2024 that it had entered into a binding definitive agreement ('the Agreement') with Astara, pursuant to which Calima has agreed to sell 100% of its ownership in its wholly owned Canadian subsidiary, Blackspur, the owner of the Company's Brooks and Thorsby production assets ('Alberta Assets') for a cash consideration of C\$75 million prior to customary completion adjustments for net debt ('Blackspur Sale'). Astara is fully financed in respect of the acquisition.

The Board of Directors has recommended the Blackspur Sale as the market capitalisation of the Company on the ASX has not reflected the inherent value of Blackspur, with the Blackspur Sale value approximately double the current market capitalisation of the Company.

It is the Company's objective to distribute no less than 85% of the funds received from the Blackspur Sale to Calima shareholders in the most tax effective form and the Company will seek an ATO ruling on this matter in a timely fashion.

Over the previous 12 months the Company has also returned A\$10 million in distributions to shareholders.

The balance of the proceeds from the Blackspur Sale are intended to be used to fund the Company's future exploration programs and to pay for ongoing operational and administrative costs.

A request to the Competition Bureau Canada was made in relation to the Blackspur asset sale from Calima Energy Limited to Astara Energy Corp. for the issuance of an Advance Ruling Certificate ("ARC") pursuant to section 102 of the Competition Act (the "Act") or in the alternative, a no-action letter confirming that the Commissioner of Competition (the "Commissioner") does not intend to make an application under section 92 of the Act with respect to the above-noted transaction (the "Transaction").

The ARC was received from Competition Bureau Canada on 12 January 2024 signifying no action will be taken by Competition Bureau Canada with respect to the transaction.

A Notice of Meeting has been issued, with the sale subject to obtaining shareholder approval pursuant to Listing Rule 11.2 at an **Extraordinary General Meeting expected to be held on 15 February 2024.**

The Blackspur Sale is anticipated to close 10 days post the meeting, however, no later than 30 March 2024. Astara has provided a C\$5 million escrow deposit to secure its obligations pursuant to the definitive agreement in respect of the Blackspur Sale, which shall be executed via a Share Purchase Agreement (the 'SPA'). The SPA provides for a break fee of C\$1.75 million in favour of Astara which may become payable by the Company, inter alia, in the event shareholders do not approve the Blackspur Sale or a superior acquisition proposal is announced or recommended in relation to Blackspur. The

final sale proceeds received by Calima will be adjusted on a dollar-for-dollar basis to the extent Blackspur's net debt exceeds C\$0. Blackspur's net debt is anticipated at closing to be approximately ~C\$2.5-3 million, taking into account all transaction costs, employee obligations, mark to market hedges and any other net debt adjustments from operations between signature and completion. This is a best estimate as at the date of this announcement and is subject to fluctuation prior to closing.

If shareholders approve the Blackspur Sale and the transaction completes, on 2 July 2024 (being 6 months from the date of the date of announcement of execution of the SPA to ASX), ASX is likely to:

- suspend the Company's securities from official quotation; and
- apply Listing Rule 11.1.3 to any acquisition the Company enters into following the Blackspur Sale. In such a case, the Company's securities will likely remain suspended until the Company has re-complied with Chapters 1 and 2 of the Listing Rules.

Astara is a private Canadian-owned company which will have ~8,500 boe/d of production in Alberta and Saskatchewan, Canada, following completion of the Blackspur acquisition. For further information regarding Astara, please refer to the Notice of Meeting and to Astara's website: <https://astaraenergy.ca/>

Unanimous recommendation of eligible Board members to vote

The board of directors of Calima considers that completion of the Blackspur Sale allows CE1 shareholders to realise inherent value from the Alberta Assets and will free up capital to be returned to shareholders in excess of the current market capitalisation. Lonny Tetley, a non-executive independent director of Calima, was excluded from all board deliberations in respect of the sale of Blackspur and any voting due to being the Chairman and a shareholder of Astara Energy Corp. Mr Tetley holds 250,000 shares in Astara, representing ~0.25% of Astara's issued capital.

Each eligible member of the Board (excluding Mr. Tetley who abstained from the consideration of the matter) considers that the Blackspur Sale is in the best interests of Calima shareholders, in the absence of a superior proposal.

Indicative Timetable*

It is anticipated that the Blackspur Sale will complete in the first quarter of 2024, subject to the satisfaction or waiver of the conditions precedent to closing of the Blackspur Sale.

Announcement released on ASX	5 January 2024
Notice of Meeting despatched to Shareholders	15 January 2024
Calima General Meeting	15 February 2024
Completion of Sale (no later than)	30 March 2024
Tranche 1 Return of Funds to Shareholders	2 nd Quarter 2024
Tranche 2 Return of Funds to Shareholders **	3 rd Quarter 2024

*Note, this timetable is indicative only and subject to change.

** Under Canadian law, the Canadian Revenue Service requires 25% of the net proceeds of sale to be placed in Escrow. Upon determination of any tax burden (anticipated to be significantly less than A\$5 million, this amount is refunded less any actual taxes payable once the Company files its tax return.

Voting intentions

The Directors comprising:

- Mr Glenn Whiddon (and his wife);
- Mr Karl DeMong;
- Mr P.L. (Lonny) Tetley; and
- Mr Mark Freeman,

have entered into commitment deeds with Astara indicating that, in the absence of a superior proposal, they intend to vote all Shares owned or controlled by them **in favour** of the Blackspur Sale. Directors and Shareholders representing ~16.24% of the Shares have voted **in favour of the Blackspur Sale**.

Post-closing Strategy

Upon the closing of the Blackspur Sale and distribution to shareholders, the Company will continue to be listed on the ASX and will focus on maintaining the production from the Paradise well (via Calima Energy Inc in British Columbia) and on the acquisition of further oil and gas assets. The Paradise Well generates approximately A\$350,000 in free cash flow annually and is covered by a bond of A\$400,000 performance bond.

The estimated expenditure required over the next 12 months post-closing is approximately A\$1 million, subject to any project expenditure requirements.

Advisors

National Bank Financial Inc. is acting as financial advisor with respect to the Blackspur Sale.

KEY PERFORMANCE METRICS AND OUTLOOK

The following table summarises key financial and operating highlights associated with the Company's financial performance for the periods indicated and the forecasted budget for Q4 2023.

	Actual Q4 23	Forecast Q4 23
Production Sales		
Oil (bbl)	202,114	218,239
Natural gas (Mcf)	835,584	861,939
Natural gas liquids (bbl)	10,856	8,684
Sales volumes (gross boe)	352,234	370,580
Sales volumes (boe/d)	3,829	4,028
Liquids percentage	60%	61%
Financial (A\$ million)		
Sales Revenue	21.1	26.9
Royalties	(4.4)	(5.6)
Operating Costs	(7.1)	(8.1)
G&A and Interest	(1.7)	(1.3)
Adjusted EBTDA	7.9	11.9
Realized Hedge Gains (Losses)	0.05	(0.2)
Cash Flow from Operations	8.0	11.7
Capital Expenditures	(5.6)	(6.5)
Free Cash Flow	2.4	5.2
Free Cash Flow without Hedge Gains/Losses	2.35	5.4
Realised Commodity/FX prices		
Oil (A\$/bbl)	89.47	107.46
Natural gas (A\$/Mcf)	2.67	3.36
Natural gas liquids (A\$/bbl)	72.09	62.37
AUD / CAD	0.89	0.87

Notes to financial forecast

1. Calima has tax pools of ~C\$120 million that can be offset against Brooks and Thorsby taxable income, accordingly taxes have not been reflected in the above analysis.

PRODUCTION DISCUSSION

For the calendar year 2023, Calima maintained average daily production of 4,046 boe/d. Fourth quarter production averaged 3,829 boe/d, 5% lower than forecasted mainly due to the timing of bringing on new production in Q4 due to mechanical issues and lower than expected production from the wells drilled in late Q3 and early Q4.

Importantly the Company spent \$26.4 million on capital expenditures for the full 2023 year compared to forecasted capital expenditures of \$35 million, representing an \$8.6 million reduction on capex for 2023.

COMMODITY PRICE UPDATE

WTI price averaged US \$78.32/bbl in fourth quarter, this was 4 percent lower than the average price for the third quarter at US\$81.43/bbl. Currently, WTI is trading ~US\$77/bbl, supported by OPEC+ production cuts announced in November 2023, taking effect on physical markets and ongoing geopolitical risk offsetting lower crude oil demand caused by a weakening global economic outlook.

WCS markets weakened in Q4. This was driven by seasonal weakness in WCS, expectations of more Venezuelan heavy crude imports into North America, and ongoing speculation around the start date of the Trans Mountain expansion (TMX). The TMX expansion is expected to be on-stream in Q2 2024.

Despite the short-term weakness in WCS differentials in Q4, medium term demand for heavy oil remains reasonably strong due to ongoing demand for the heavy barrel and increased egress due to the TMX expansion, which will result in 500,000 bbl/d of additional exports from Western Canada.

HEDGING

The Company's risk management contracts consisted of the following positions for the fourth quarter of 2023:

Contract	Reference	Term	Volumes (bbl/day)	Sold Put \$US/bbl	Bought Put \$US/bbl	Sold Call \$US/bbl
Three-way Collar US	NYMEX-WTI	Oct 2023 – Dec 2023	250	55.00	75.00	97.10
Put Spread US	NYMEX-WTI	Oct 2023 – Dec 2023	200	65.00	75.00	-
Put Spread US	NYMEX-WTI	Oct 2023 – Dec 2023	200	70.00	80.00	-
Put Purchase US	NYMEX-WTI	Oct 2023 – Dec 2023	250	-	55.00	-
Put Purchase US	NYMEX-WTI	Oct 2023 – Dec 2023	200	-	65.00	-

The Company also had the following WCS basis swap and Foreign Currency (closed in Q1 24 with a gain of A\$150,000) contracts in place during the fourth quarter of 2023:

Contract	Reference	Term	Volumes (bbl/day)	Price per Unit (\$US/bbl)
Swap	US NGX OIL-WCS-BLENDED	Oct 2023 – Dec 2023	200	(18.30)

Contract	Reference	Term	Notional Amount USD	Forward rate
Avg rate forward	USD currency	Nov 2023 – Mar 2024	\$700,000/month	1.3750 CAD per USD
Avg rate forward	USD currency	Nov 2023 – Mar 2024	\$700,000/month	1.3699 CAD per USD

In support of the Blackspur transaction the Company was required to put in place the forward contracts set out below. In order to protect the Company in the event of a failed transaction a C\$5 million non-refundable deposit has been secured from Astara.

Contract	Reference	Term	Volumes (bbl/day)	Price per Unit (\$CAD/bbl)
Swap	NYMEX-WTI	Mar 2024 – Jun 2024	2,100	97.42
Swap	NYMEX-WTI	Jul 2024 – Feb 2025	1,700	94.57
Swap	NYMEX-WTI	Mar 2025 – Feb 2026	1,500	89.55
Swap	US NGX OIL-WCS-BLENDED	Apr 2024 – Jun 2024	1,200	(21.90)
Swap	US NGX OIL-WCS-BLENDED	Jul 2024 – Sep 2024	1,100	(19.55)
Swap	US NGX OIL-WCS-BLENDED	Oct 2024 – Dec 2024	1,000	(22.15)
Swap	US NGX OIL-WCS-BLENDED	Jan 2025 – Dec 2025	750	(20.30)

Environmental, Social and Governance (“ESG”)

Health, safety, and environment (HSE) continues to be a priority for the Company, and we are proud to achieve another straight quarter of no employee downtime from injury or event. During the quarter our leading HSE indicators tracking corporate performance were all significantly above corporate targets on items including operator competencies, monthly vehicle inspections, and contractor spot checks.

The Company has fulfilled its 2023 annual mandatory closure spend under the Alberta Energy Regulator’s (AER) new Licensee Management Program. Calima continues to efficiently manage its closure spend targets by keeping costs low by integrating these operations in production and completion operations schedule gaps.

Calima continues to pursue reductions in carbon emissions to meet or exceed regulatory requirements.

CORPORATE

Capital Returns

Following the sale of the Montney the Company on 27 October 2023 returned to shareholders **A\$7.5 million or ~1.2c per share**. In light of the Blackspur sale the Company has delayed the second tranche of A\$2.5 million which will now form part of a larger Shareholder return, a tax ruling from the Australian Taxation Office confirming the distribution will be treated as predominantly a capital return is currently being sought.

If Shareholder’s approve the sale of Blackspur to Astar a the Company’s objective is to distribute no less than 85% of the funds received from the sale to Calima shareholders.

Related Party Payments

For the three months ended 31 December 2023, Calima for the purposes of ASX Listing Rule 5.3.5 recognised A\$303,240 in amounts paid to the Company’s Directors or their related entities. The payments were for included Directors’ fees, legal fees, CEO, executive management fees and bookkeeping fees.

The Company advises that for the purposes of ASX Listing Rule 3.16.4, the key terms of Mr. DeMong’s contract are as follows:

- a) Contract amendment date: 31st January 2024
- b) Term: Ends Dec 31st 2024, extendable for 1 year
- c) Termination: Mr DeMong may terminate the contract by providing 3 months’ notice. The Company may terminate the contract by providing 6 months’ notice
- d) Change of Control of Blackspur: Mr DeMong shall be entitled to 1 year of pay
- e) Remuneration: Mr. DeMong salary will continue to be C\$300,000 pa

Mr DeMong has been CEO of Blackspur Oil Corp for the last 6 months and served an Executive Director to the Company over the last 18 months.

Securities Movements During the Quarter

Further to the Announcement dated 21 November 2023 in respect of the Issue of 11,230,000 Performance Rights. In recognition of the likely sale of Blackspur Oil Corporation (“BSO”) ~A\$80 million the Company has determined that it will no longer seek shareholder approval for the issue of incentive Performance Rights G to the Directors.

- On 21 November 2023 the Company issued 7,230,000 Performance Rights G.
- On 18 December 2023 7,703,750 Performance Right F expired.
- Share Buy-Back – Currently on hold.

The Company’s issued securities are set out below:

Number	Class	Vesting Condition	Expiry Date
625,720,769	Ordinary Shares		
2,500,000	Class C Performance Rights	CE1 20-day VWAP of at least 30 cents	30/4/2026

7,230,000	Class G Performance Rights	50% vest following continued service for 12 months; and 50% vest following continued service for 24 months. All securities vest on the sale of BSO exceeding A\$80 million	13/12/2026
2,272,250	Class F Performance Rights	2,100,250 vest following continued service to 13/6/24; and 172,000 vest following continued service to 13/6/25.	13/06/2026
10,950,000	Options exercisable @ 20 cents	66% vested; and 34% vest following continued service 30 April 2024. Options will only become exercisable 3 months post vesting.	30/4/2026
2,500,000	Options exercisable @ 20 cents	nil	30/4/2026
1,500,000	Options exercisable @ 16 cents	nil	13/10/2025
1,000,000	Options exercisable @ 16 cents	nil	30/11/2024
1,500,000	Options exercisable @ 20 cents	nil	30/11/2024
850,000	Options exercisable @ 20 cents	nil	31/01/2027

This release was approved by the Board. For further information visit www.calimaenergy.com or contact:

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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 EBTDA", "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

Refer to the announcements dated 30 March 2023. 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 Brooks and Thorsby petroleum reserves and resources information is based on, and fairly represents, information and supporting documentation in a report compiled by InSite Petroleum Consultants Ltd. (InSite) for the 31 December 2022 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. The InSite 31 December 2022 Reserves Report and the values contained therein are based on InSite's 31 December 2022 price deck (<https://www.insitepc.com/pricing-forecasts>). 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.

Oil and Gas Glossary and Definitions

Term	Meaning
Adjusted EBTDA:	Adjusted EBTDA 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 EBTDA as a measure of operational performance and cash flow generating capability. Adjusted EBTDA impacts the level and extent of funding for capital projects investments or returning capital to shareholders.
Adjusted working capital:	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.
ARO / Asset Retirement Obligation:	the process of permanently closing and relinquishing a well by using cement to create plugs at specific intervals within a well bore
Available funding:	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.
Credit Facility Interest:	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
CO₂e:	carbon dioxide equivalent
Conventional Well:	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
Compression:	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
Corporate Decline:	consolidated, average rate decline for net production from the Company's assets
EBTDA	EBTDA is calculated as net income (loss) before interest and financing expenses, income taxes, depletion, depreciation and amortisation.
Exit Production:	Exit production is defined as the average daily volume on the last week of the period
Operating Income:	Oil and gas sales net of royalties, transportation and operating expenses
Financial Hedge:	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
Free Cash Flow (FCF):	represents Hedged Adjusted EBTDA less recurring capital expenditures, asset retirement costs and cash interest expense
Free Cash Flow Yield:	represents free cash flow as a percentage of the Company's total market capitalisation at a certain point in time
Funds Flow:	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.
Gathering & Compression (G&C):	owned midstream expenses; the costs incurred to transport hydrocarbons across owned midstream assets
Gathering & Transportation (G&T):	third-party gathering and transportation expense; the cost incurred to transport hydrocarbons across third-party midstream assets
G&A:	general and administrative expenses; may be represented by recurring expenses or non-recurring expense
Hedged Adjusted EBTDA:	EBTDA 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;
Hyperbolic Decline:	non-exponential with subtle multiple decline rates; hyperbolic curves decline faster early in the life of the well and slower as time increases
LMR:	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.
LOE:	lease operating expense, including base LOE, production taxes and gathering & transportation expense
Midstream:	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
Net Debt:	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 aggregating long-term debt, lease liabilities and working capital.
NGL / Natural Gas Liquids:	hydrocarbon components of natural gas that can be separated from the gas state in the form of liquids
Net Debt/Adjusted EBTDA (Leverage)	a measure of financial liquidity and flexibility calculated as Net Debt divided by Hedged Adjusted EBTDA
Net Revenue Interest:	a share of production after all burdens, such as royalties and overriding royalties, have been deducted from the working interest. It is the percentage of production that each party actually receives
Operating Costs:	total lease operating expense (LOE) plus gathering & compression expense
Operating Netback:	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.
Physical Contract:	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
Promote:	Production Taxes: state taxes imposed upon the value or quantity of oil and gas produced
PDP/ Proved Developed Producing:	an additional economic ownership interest in the jointly-owned properties that is conveyed cost-free to the operator in consideration for operating the assets
PV10:	a reserve classification for proved reserves that can be expected to be recovered through existing wells with existing equipment and operating methods
RBL / Reserve Based Lending Royalty Interest or Royalty:	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%
	a revolving credit facility available to a borrower based on (secured by) the value of the borrower's oil and gas reserves
	Interest in a leasehold area providing the holder with the right to receive a share of production associated with the leasehold area

Term	Meaning
Terminal decline:	represents the steady state decline rate after early (initial) flush production
Unconventional Well:	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
Upstream:	a segment of the oil and gas industry that focuses on the exploration and production of oil and natural gas
Working Capital Ratio:	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.
WI/ Working Interest:	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
1P	proved reserves	A\$ or AUD	Australian dollars
2P	proved plus Probable reserves	C\$ or CAD	Canadian dollars
3P	proved plus Probable plus Possible reserves	US\$ or USD	United states dollars
bbl or bbls	barrel of oil	(\$ thousands)	figures are divided by 1,000
boe	barrel of oil equivalent (1 bbl = 6 Mcf)	(\$ 000s)	figures are divided by 1,000
d	suffix – per day	Q1	first quarter ended March 31 st
GJ	gigajoules	Q2	second quarter ended June 30 th
mbbl	thousands of barrels	Q3	third quarter ended September 30 th
mboe	thousands of barrels of oil equivalent	Q4	fourth quarter ended December 31 st
Mcf	thousand cubic feet	YTD	year-to-date
MMcf	million cubic feet	YE	year-end
PDP	proved developed producing reserves	H1	six months ended June 30 th
PUD	Proved Undeveloped Producing	H2	six months ended December 31 st
C	Contingent Resources – 1C/2C/3C – low/most likely/high	B	Prefix – Billions
Net	Working Interest after Deduction of Royalty Interests	MM	Prefix - Millions
NPV (10)	Net Present Value (discount rate), before income tax	M	Prefix - Thousands
EUR	Estimated Ultimate Recovery per well	/d	Suffix – per day
WTI	West Texas Intermediate Oil Benchmark Price	bbl	Barrel of Oil
WCS	Western Canadian Select Oil Benchmark Price	boe	Barrel of Oil Equivalent (1bbl = 6 mscf)
1P or TP	Total Proved	scf	Standard Cubic Foot of Gas
2P or TPP	Total Proved plus Probable Reserves	Bcf	Billion Standard Cubic Foot of Gas
3P	Total Proved plus Probable plus Possible Reserves	tCO ₂	Tonnes of Carbon Dioxide
EBTDA	Earnings before tax, depreciation, depletion and amortisation	OCF	Operating Cash Flow, ex Capex
Net Acres	Working Interest	E	Estimate
IP24	The peak oil production rate over 24 hours of production	CY	Calendar Year
IP30/90	Average oil production rate over the first 30/90 days	WTI	West Texas Intermediate
WCS	Western Canada Select	OOIP	Original Oil in Place

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

31 December 2023

CONSOLIDATED STATEMENT OF CASH FLOWS		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	21,099	92,407
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(11,513)	(51,013)
	(d) staff costs	(571)	(3,055)
	(e) administration and corporate costs	(1,074)	(2,953)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(98)	(571)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (losses on risk management contracts, changes in non-cash working capital)	1,233	17
1.9	Net cash from / (used in) operating activities	9,076	34,832
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	(222)
	(c) property, plant and equipment	(5,623)	(34,985)
	(d) exploration & evaluation	-	-
	(e) investments	-	125
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	11,583
	(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	(4,936)	1,559
2.6	Net cash from / (used in) investing activities	(10,559)	(21,940)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
3.5	Proceeds from borrowings (Term Loan)	-	(27)

CONSOLIDATED STATEMENT OF CASH FLOWS		Current quarter \$A'000	Year to date (12 months) \$A'000
3.6	Net Repayment of borrowings (Credit Facility)	(131)	(511)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	(7,509)	(7,509)
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(7,640)	(8,047)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	17,308	3,848
4.2	Net cash from / (used in) operating activities (item 1.9 above)	9,076	34,832
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(10,559)	(21,940)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(7,640)	(8,047)
4.5	Effect of movement in exchange rates on cash held	(484)	(992)
4.6	Cash and cash equivalents at end of period	7,701	7,701
5.	RECONCILIATION OF CASH AND CASH EQUIVALENTS	Current quarter	Previous quarter
	AT THE END OF THE QUARTER (AS SHOWN IN THE CONSOLIDATED STATEMENT OF CASH FLOWS) TO THE RELATED ITEMS IN THE ACCOUNTS	\$A'000	\$A'000
5.1	Bank balances	7,701	17,308
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)	7,701	17,308
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		303
6.2	Aggregate amount of payments to related parties and their associates included in item 2		-
<i>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.</i>			
7.	FINANCING FACILITIES	Total facility amount at quarter end	Amount drawn at quarter end
	<i>NOTE: THE TERM "FACILITY" INCLUDES ALL FORMS OF FINANCING ARRANGEMENTS AVAILABLE TO THE ENTITY.</i>	\$A'000	\$A'000
	<i>ADD NOTES AS NECESSARY FOR AN UNDERSTANDING OF THE SOURCES OF FINANCE AVAILABLE TO THE ENTITY.</i>		
7.1	Loan facilities (Credit Facility)	22,159	-
7.2	Credit standby arrangements (issued LCs under the Credit Facility)	152	152
7.3a	Other (Term loan)	3,448	3,448
7.4	Total financing facilities	25,759	3,600
7.5	Unused financing facilities available at quarter end, excluding cash on hand		22,159
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.		
<p>As at 31 December 2023, Calima held a C\$20.0 million demand revolving credit facility with a Canadian chartered bank (the "Credit Facility"). There were no amounts drawn on the Credit Facility at 31 December 2023, the Calima Group had access to available credit under the Facility of ~C\$20 million at 31 December 2023 subject to being in compliance with all financial covenants set out by the Canadian chartered bank in the Facility including adjusted working capital and net debt to cash flow ratios. At 31 December 2023 the Company was in compliance with all covenants.</p> <p>On 31 January 2022, the Calima entered into a long-term financing arrangement with a strategic infrastructure and midstream company to construct a pipeline connecting the Company's 02-29 battery in the northern portion of its Brooks, Alberta. Blackspur will repay the loan to construct the pipeline over a term of seven years at a 12% cost of financing with monthly payments. As at 31 December 2023, the Company had drawn C\$3.1 million and no further draw downs are envisaged.</p>			

8.	ESTIMATED CASH AVAILABLE FOR FUTURE OPERATING ACTIVITIES	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	9,076
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	9,076
8.4	Cash and cash equivalents at quarter end (item 4.6)	7,701
8.5	Unused finance facilities available at quarter end (item 7.5)	22,159
8.6	Total available funding (item 8.4 + item 8.5)	29,860
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	N/A
	<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: ...31/01/2024.....

Authorised by: ..The Board.....
(Name of body or officer authorising release – see note 4)

NOTES

- 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.
- 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.
- 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.
- 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".
- 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 31 DECEMBER 2023

Country	Lease name & number	Q4 update	Working interest	Country	Lease name & number	Q4 update	Working interest
CANADA	CR PNG 0488120306	-	25%	CANADA	CR PNG 0417070142	-	100%
CANADA	CR PNG 113922	-	100%	CANADA	CR PNG 0417080003	-	100%
CANADA	FH PNG M077339 HERITAGE	-	100%	CANADA	CR PNG 0417080004	-	100%
CANADA	FH PNG M077343 HERITAGE	-	50%	CANADA	CR PNG 0417080005	-	100%
CANADA	CR PNG 0401070798	-	50%	CANADA	CR PNG 0417080006	-	100%
CANADA	FH PNG M077354 HERITAGE	-	50%	CANADA	FH PET M118153 HERITAGE	-	100%
CANADA	FH PNG M077355 HERITAGE	-	50%	CANADA	FH PET M117918 HERITAGE	-	100%
CANADA	FH PNG M077362 HERITAGE	-	50%	CANADA	FH PET M118154 HERITAGE	-	100%
CANADA	FH PNG M077365 HERITAGE	-	50%	CANADA	FH PET M118155 HERITAGE	-	100%
CANADA	FH PNG M057552 HERITAGE	-	50%	CANADA	FH PET M117917 HERITAGE	-	100%
CANADA	FH PNG M077369 HERITAGE	-	50%	CANADA	CR PNG 0417090049	-	50%
CANADA	FH PNG M057230 HERITAGE	-	100%	CANADA	CR PNG 0417090098	-	100%
CANADA	FH PNG M057231 HERITAGE	-	50%	CANADA	CR PNG 0417090158	-	100%
CANADA	FH PNG M057228 HERITAGE	-	50%	CANADA	CR PNG 0417090164	-	100%
CANADA	FH PNG M057229 HERITAGE	-	50%	CANADA	CR PNG 0417090165	-	100%
CANADA	FH PNG M077379 HERITAGE	-	50%	CANADA	CR PNG 0417100063	-	100%
CANADA	FH PNG M077381 HERITAGE	-	50%	CANADA	CR PNG 0417100064	-	100%
CANADA	FH PNG M077383 HERITAGE	-	100%	CANADA	CR PNG 0417100067	-	100%
CANADA	FH PNG M077384 HERITAGE	-	50%	CANADA	FH PET M120054 HERITAGE	-	100%
CANADA	FH PNG M077385 HERITAGE	-	50%	CANADA	CR PNG 0417100153	-	50%
CANADA	FH PNG M077387 HERITAGE	-	50%	CANADA	CR PNG 0417100154	-	50%
CANADA	FH PNG M058439 HERITAGE	-	50%	CANADA	CR PNG 0417100155	-	50%
CANADA	FH PNG M077388 HERITAGE	-	50%	CANADA	CR PNG 0417100156	-	50%
CANADA	FH PET M083475 HERITAGE	-	75%	CANADA	CR PNG 0417110088	-	100%
CANADA	FH PNG M057120 HERITAGE	-	0%	CANADA	CR PNG 0417110091	-	100%
CANADA	FH PNG M057136 HERITAGE	-	0%	CANADA	CR PNG 0417120003	-	100%
CANADA	FH PNG M064409 HERITAGE	-	0%	CANADA	CR PNG 0417120041	-	100%
CANADA	CR PNG 0401110596	-	0%	CANADA	CR PNG 0417120042	-	100%
CANADA	CR PNG 0489120182	-	100%	CANADA	CR PNG 0417120043	-	100%
CANADA	CR PNG 6879A	-	100%	CANADA	CR PNG 0417120044	-	100%
CANADA	CR PNG 5697A	-	100%	CANADA	CR PNG 0417120157	-	100%
CANADA	FH PNG M087367 HERITAGE	-	100%	CANADA	CR PNG 0417120165	-	100%
CANADA	CR PNG 0411110073	-	100%	CANADA	CR PNG 0417120166	-	100%
CANADA	CR PNG 0411110085	-	100%	CANADA	FH PNG GRITZFELDT, J & J	-	100%
CANADA	CR PNG 0411110086	-	100%	CANADA	FH PNG KELSEY, CLIFFORD	-	100%
CANADA	CR PNG 0412030144	-	100%	CANADA	FH PNG KELSEY, CLIFFORD	-	100%
CANADA	FH PNG BENTLEY, CHERYL	-	100%	CANADA	FH PNG OLSON, VIRGINIA	-	100%
CANADA	FH PNG TKACHUK ET AL	-	100%	CANADA	FH PNG OLSON, VIRGINIA	-	100%
CANADA	FH PNG BENTLEY ET AL	-	100%	CANADA	CR PNG 0417090160	-	100%
CANADA	CR PNG 0413080342	-	100%	CANADA	CR PNG 0418040094	-	100%
CANADA	CR PNG 0413080343	-	100%	CANADA	CR PNG 0404050042	-	100%
CANADA	CR PNG 0413120217	-	100%	CANADA	CR PNG 0418070022	-	100%
CANADA	FH PNG BENTLEY, D.	-	100%	CANADA	CR PNG 0418070024	-	100%
CANADA	FH PNG PEDERSON, V.	-	100%	CANADA	CR PNG 0418070026	-	100%
CANADA	FH PNG JOHNSON, JO-ANNE	-	100%	CANADA	CR PNG 0418070027	-	100%
CANADA	CR PNG 0404010158	-	100%	CANADA	CR PNG 0418080186	-	50%
CANADA	CR PNG 0404010157	-	100%	CANADA	CR PNG 0418080187	-	50%
CANADA	CR PNG 0414060022	-	100%	CANADA	CR PNG 0418080188	-	50%
CANADA	CR PNG 0414070234	-	100%	CANADA	CR PNG 0418080189	-	50%
CANADA	FH PNG M110518 HERITAGE	-	100%	CANADA	CR PNG 0418100101	-	100%
CANADA	FH PNG M110083 HERITAGE	-	100%	CANADA	FH PNG WURBAN ET AL	-	100%
CANADA	CR PNG 0499040052	-	81%	CANADA	FH PNG WURBAN, LAWRENCE	-	100%
CANADA	CR PNG 0411090025	-	100%	CANADA	FH PNG WURBAN, KENNETH	-	100%
CANADA	FH PNG M059623 HERITAGE	-	100%	CANADA	CR PNG 0419010050	-	100%
CANADA	FH PET M200805 PRAIRIESKY	-	100%	CANADA	CR PNG 0419010051	-	100%
CANADA	FH PET M201169 PRAIRIESKY	-	100%	CANADA	CR PNG 0419010053	-	50%
CANADA	FH PET M201170 PRAIRIESKY	-	100%	CANADA	FH PNG FORTIER ET AL	-	100%
CANADA	FH PET M201171 PRAIRIESKY	-	100%	CANADA	FH PET M121570 HERITAGE	-	100%
CANADA	FH PET M201172 PRAIRIESKY	-	100%	CANADA	FH PET M121571 HERITAGE	-	100%
CANADA	CR PNG 0479060095	-	20%	CANADA	FH PET M121572 HERITAGE	-	100%
CANADA	CR PNG 0479060094	-	49%	CANADA	FH PET M121575 HERITAGE	-	100%
CANADA	CR PNG 27346	-	20%	CANADA	FH PET M121576 HERITAGE	-	100%
CANADA	CR PNG 4678	-	68%	CANADA	FH PET M121577 HERITAGE	-	100%
CANADA	FH NG M115649 HERITAGE	-	100%	CANADA	FH PET M121587 HERITAGE	-	100%
CANADA	FH PET M115657 HERITAGE	-	100%	CANADA	FH PET M121586 HERITAGE	-	100%
CANADA	FH PET M115656 HERITAGE	-	100%	CANADA	FH PET M202676 HERITAGE	-	100%
CANADA	CR PNG 124433	-	81%	CANADA	FH PET M203053 HERITAGE	-	100%
CANADA	CR PNG 28705	-	81%	CANADA	CR PNG 0404050038	-	100%
CANADA	CR PNG 121449	-	49%	CANADA	CR PNG 0418050149	-	100%
CANADA	FH PNG M056870 HERITAGE	-	100%	CANADA	CR PNG 0418010031	-	100%
CANADA	FH PNG M056871 HERITAGE	-	100%	CANADA	CR PNG 0418100105	-	100%
CANADA	FH PNG M059315 HERITAGE	-	100%	CANADA	CR PNG 0418080191	-	100%
CANADA	FH PNG M059316 HERITAGE	-	100%	CANADA	CR PNG 0419010054	-	100%
CANADA	FH PNG M055940 HERITAGE	-	100%	CANADA	CR PNG 0418050150	-	100%
CANADA	FH PNG M056875 HERITAGE	-	100%	CANADA	CR PNG 0417080122	-	100%
CANADA	FH PNG M056876 HERITAGE	-	100%	CANADA	CR PNG 0418010032	-	100%
CANADA	FH PNG M055910 HERITAGE	-	100%	CANADA	FH NG M121990 HERITAGE	-	100%
CANADA	FH PNG M056877 HERITAGE	-	100%	CANADA	FH PET M121991 HERITAGE	-	100%
CANADA	FH PNG M055912 HERITAGE	-	100%	CANADA	CR PNG 0419090100	-	100%
CANADA	FH PNG M055911 HERITAGE	-	100%	CANADA	CR PNG 0419090124	-	100%
CANADA	FH PNG M056878 HERITAGE	-	100%	CANADA	FH PET M122146 HERITAGE	-	100%
CANADA	FH PNG M055915 HERITAGE	-	100%	CANADA	FH PET M122147 HERITAGE	-	100%
CANADA	FH PNG M056879 HERITAGE	-	100%	CANADA	FH PET M122148 HERITAGE	-	100%
CANADA	FH PNG M055916 HERITAGE	-	100%	CANADA	CR PNG 0419120098	-	50%

Country	Lease name & number	Q4 update	Working interest
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 M055922 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 SCHAFFER, 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 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 PET M115550 HERITAGE	-	100%
CANADA	FH PET M115552 HERITAGE	-	100%
CANADA	FH NG M115620 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%
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%

Country	Lease name & number	Q4 update	Working interest
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 PET PRAIRIESKY	-	50%
CANADA	FH OPTION DE NEVE, VIRGINIA	-	100%
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	-	100%
CANADA	FH PET M235625 PRAIRIESKY	-	100%
CANADA	FH PET M235626 PRAIRIESKY	-	100%
CANADA	FH PET M235627 PRAIRIESKY	-	100%
CANADA	FH PET M235628 PRAIRIESKY	-	100%
CANADA	FH PET M123889 HERITAGE	-	100%
CANADA	FH PET M123890 HERITAGE	-	100%
CANADA	FH PET M123891 HERITAGE	-	100%
CANADA	FH PET M123892 HERITAGE	-	100%
CANADA	FH PET M123893 HERITAGE	-	100%
CANADA	FH PET M123894 HERITAGE	-	100%
CANADA	FH PET M123895 HERITAGE	-	100%
CANADA	FH PET M123896 HERITAGE	-	100%
CANADA	FH PET M123897 HERITAGE	-	100%
CANADA	FH PET M123898 HERITAGE	-	100%
CANADA	FH PET M123899 HERITAGE	-	100%
CANADA	FH PET M123900 HERITAGE	-	100%
CANADA	FH PET M123901 HERITAGE	-	100%
CANADA	FH PET M123902 HERITAGE	-	100%
CANADA	FH PET M123903 HERITAGE	-	100%
CANADA	FH PET M123904 HERITAGE	-	100%
CANADA	FH PNG CAMERON ET AL	-	50%
CANADA	FH PNG DAVIDSON, D & M	-	50%
CANADA	FH PNG OSLUND ET AL	-	50%
CANADA	CR PNG 0421090068	-	100%
CANADA	CR PNG 0421090086	-	100%
CANADA	CR PNG 0421100007	-	100%
CANADA	CR PNG 0421100016	-	100%
CANADA	CR PNG 0421100017	-	100%
CANADA	FH NG M124346 HERITAGE	-	100%
CANADA	FH NG M124756 HERITAGE	-	100%
CANADA	FH NG M124757 HERITAGE	-	100%
CANADA	CR PET M PSK	Added in Q1	100%
CANADA	CR PET M PSK	Added in Q1	100%
CANADA	CR PNG 0522010026	Added in Q1	100%
CANADA	CR PNG 0522010027	Added in Q1	100%
CANADA	CR PNG 0522010028	Added in Q1	100%
CANADA	CR PNG 0422010100	Added in Q1	100%
CANADA	FH PET M236390 PSK	Added in Q1	50%
CANADA	FH PET M236391PSK	Added in Q1	50%
CANADA	CR PNG 0422020002	Added in Q1	100%
CANADA	FH PET M122323 HERITAGE	Added in Q1	87%
CANADA	FH NG M122324 HERITAGE	Added in Q1	87%
CANADA	CR PNG 65101	-	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%
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%

Country	Lease name & number	Q4 update	Working interest
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	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 0417030159	-	50%
CANADA	CR PNG 0417040004	-	100%
CANADA	CR PNG 0417040005	-	100%
CANADA	CR PNG 0417040006	-	100%
CANADA	CR PNG 0417040196	-	50%
CANADA	FH PNG HELM, JEFFREY	-	100%
CANADA	FH PNG HELM, CRAIG	-	100%
CANADA	CR PNG 0417050094	-	100%
CANADA	CR PNG 0417060132	-	100%
CANADA	CR PNG 0417060139	-	100%
CANADA	CR PNG 0496020408	-	45%

Country	Lease name & number	Q4 update	Working interest
CANADA	CR PNG 67049	-	100%
CANADA	CR PNG 67050	-	100%
CANADA	CR PNG 67026	-	100%
CANADA	CR PNG 67027	-	100%
CANADA	CR PNG 67028	-	100%
CANADA	CR PNG 67029	-	100%
CANADA	CR PNG 67031	-	100%
CANADA	CR PNG 67030	-	100%
CANADA	CR PNG 67032	-	100%
CANADA	CR PNG 67033	-	100%
CANADA	CR PNG 67034	-	100%
CANADA	FH PNG M058621 HERITAGE	Expired in Q1	88%
CANADA	CR PNG 0413030007	Expired in Q1	0%
CANADA	CR PNG 0417010014	Expired in Q1	100%
CANADA	CR PNG 0417010017	Expired in Q1	100%
CANADA	CR PNG 0417010018	Expired in Q1	100%
CANADA	CR PNG 0417010152	Expired in Q1	100%
CANADA	CR PNG 0417020014	Expired in Q1	100%
CANADA	CR PNG 0417020016	Expired in Q1	100%
CANADA	CR PNG 0417030006	Expired in Q1	100%
CANADA	CR PNG 0417030109	Expired in Q1	100%
CANADA	CR PNG 0417030155	Expired in Q1	100%
CANADA	CR PNG 0417030156	Expired in Q1	100%
CANADA	CR PNG 0417030158	Expired in Q1	100%
CANADA	FH PET M121562 HERITAGE	Expired in Q1	100%
CANADA	FH PET M121563 HERITAGE	Expired in Q1	100%
CANADA	FH PET M121564 HERITAGE	Expired in Q1	100%
CANADA	FH PET M121565 HERITAGE	Expired in Q1	100%
CANADA	FH PET M121566 HERITAGE	Expired in Q1	100%
CANADA	FH PET M121567 HERITAGE	Expired in Q1	100%
CANADA	FH PET M121568 HERITAGE	Expired in Q1	100%
CANADA	FH PET M121569 HERITAGE	Expired in Q1	100%
CANADA	FH PET M121573 HERITAGE	Expired in Q1	100%
CANADA	FH PET M121574 HERITAGE	Expired in Q1	100%
CANADA	CR DRILL LIC 66255	Expired in Q1	100%
CANADA	CR DRILL LIC 66256	Expired in Q1	100%
CANADA	CR DRILL LIC 66312	Expired in Q1	100%
CANADA	CR DRILL LIC 66313	Expired in Q1	100%
CANADA	CR PNG 0417070138	-	100%
CANADA	CR PNG 0417070139	-	100%