

KAYBOB DUVERNAY OPPORTUNITY



Bounty Developments Ltd. is seeking to transact on its Kaybob Duvernay Lands. Our preference would be to find a farm-in partner, but all proposals including a cash offer will be considered. The 98.5 Sections (63,040 acres) of PNG Rights 100% owned by Bounty, primarily intermediate term licenses expiring in 2020 and beyond, consist of:

KAYBOB WINDFALL PACKAGE

- 63.5 sections (40,640 acres) in Light Oil Duvernay Window
- Offsetting premium Murphy and Chevron acreage
- Nearby producing Duvernay wells drilled by Chevron and Murphy Oil
- Established infrastructure
- Best estimate Contingent and Prospective Resource Potential 94.7 Million BOE6 (68% oil and liquids) in Duvernay formation on Bounty Windfall Lands; NPV10 of \$794 million (Independent GLJ Resource Assessment, May, 2019)
- Approximately 183 hz potential well locations assessed by GLJ with potential for 200 or more locations identified by Bounty with reduced spacing
- Expected IP: 500-700 BOEPD(68% oil and liquids) based on recent offset production.

KAYBOB NORTH PACKAGE

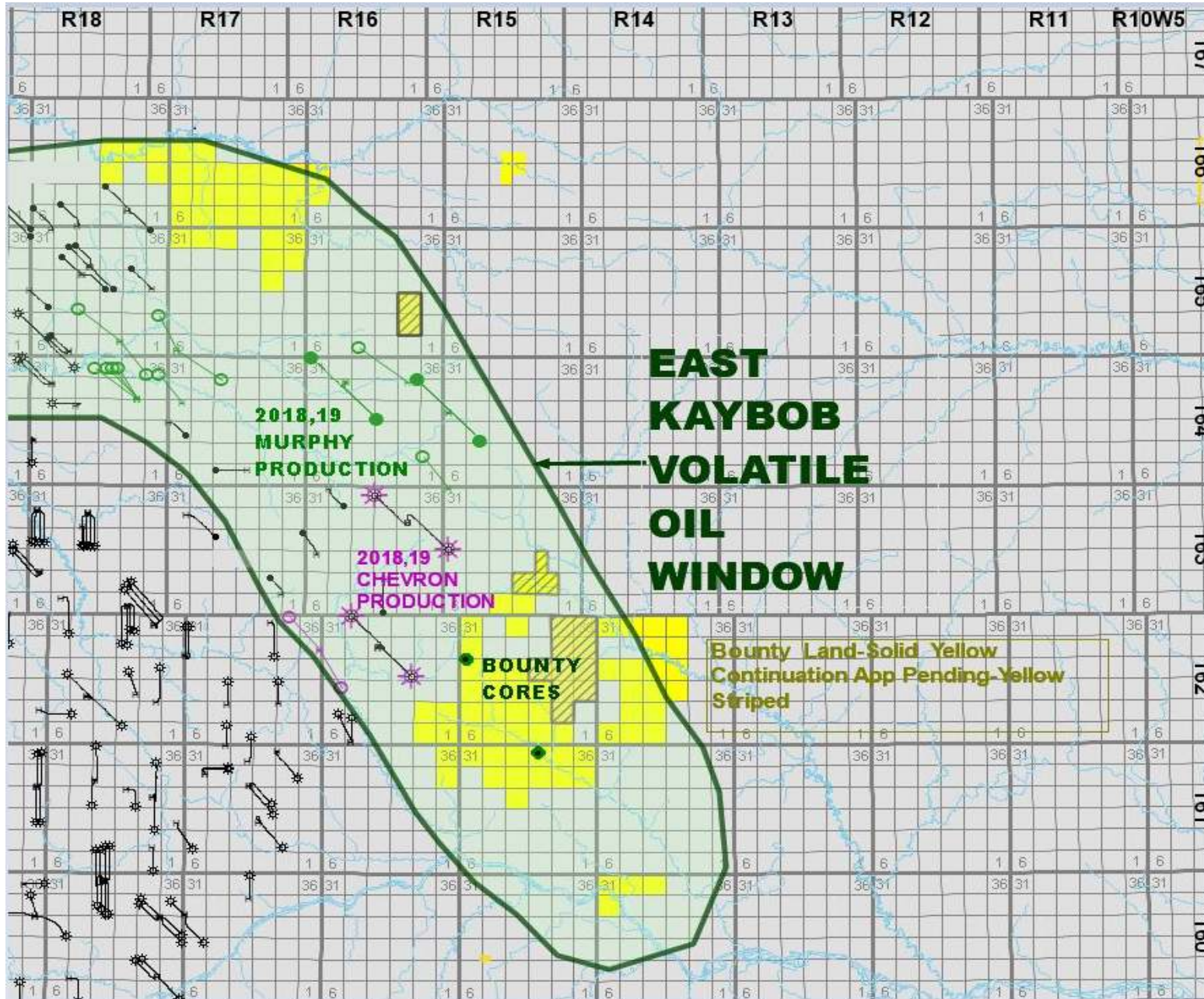
- 35 sections (22,400 acres) in Light Oil Duvernay Window
- Numerous offsetting producing Duvernay oil wells
- Best Estimate Contingent and Prospective Resource Potential 43.6 Million BOE6 (80% oil and liquids) ; NPV10 of \$424 million (Independent GLJ Resource Assessment, May, 2019)
- Approximately 64 hz well locations assessed by GLJ with potential for up to 90 locations identified by Bounty with reduced spacing
- Expected IP: 300-700 BOEPD (80% oil and liquids) based on recent offset production.

BOUNTY KAYBOB DUVERNAY-HIGHLIGHTS



- The only large land base of undeveloped Duvernay rights in Kaybob basin.
- World class shale project offsetting most valuable Duvernay rights in Western Canada Sedimentary Basin. Neighbors include Chevron, Murphy Oil/Athabasca Oil Corp, and Shell.
- Eight wells drilled offsetting Bounty acreage in 2018 and 2019 on production with rates of 500-700 BOEPD and greater.
- Well control and extensive geological and petrographic work on Bounty land reveal good pay thicknesses, high silica and total organic content (TOC), significant overpressuring and brittle rock with low clay content, low effective stress gradients, favourable liquids yield and low water saturation.
- Bounty's lands are all in the liquids rich window (condensate, NGL and volatile oil) as proven by offset production and geochemical analysis.
- Established area with good access and infrastructure.
- Land consists almost entirely of 100% Bounty owned licences either validated for additional 5 year intermediate term, ready to be validated and with sufficient remaining term for development.
- Technological development and drilling and production experience is pushing up recoveries and driving down well costs. Exceptionally high single well NPVs and RORs for Duvernay Hz wells now attainable.
- Parties interested in arranging a more detailed technical presentation may contact Paul Clark, Manager of Land and Business Development, at (403) 718-7427, pclark@bountydev.com.

VOLATILE OIL WINDOW EAST KAYBOB





PROCESS AND TIMELINE

Additional data/confidential information will be made available to interested parties who sign a confidentiality agreement.

A farmout partner is preferred but all proposals or deal structures including a cash offer on all or some of the land will be considered.

For further information, and to make a proposal, contact Paul Clark, Manager, Land and Business Development, at **(403) 804 8735 (cell), (403) 718-7427 (direct) or pclark@bountydev.com**.

The deadline for receiving offers is **October 15, 2019 at 5 pm MST**.