



# Investor Presentation

April 2022



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In this presentation, the Company has provided information with respect to certain resource information that is based on oil discovery information for lands surrounding its properties which is "analogous information" as defined applicable securities laws. This analogous information is derived from publicly available information sources which the Company believes are predominantly independent in nature. However, the Company cannot guarantee that such information was independently prepared. In addition, some of this data may not have been prepared by qualified reserves evaluators or auditors and the preparation of any estimates may not be in strict accordance with Canadian Oil & Gas Evaluation Handbook. Regardless, estimates by engineering and geo-technical practitioners may vary and the differences may be significant. The Company believes that the provision of this analogous information is relevant to the Company's activities, given its acreage position and operations (either ongoing or planned) in the area in question, however, readers are cautioned that there is no certainty that any of the development on the Company's properties will be successful to the extent in which operations on the lands in which the analogous information is derived from were successful, or at all.

Barrel of oil equivalent ("BOE") amounts may be misleading, particularly if used in isolation. A BOE conversion ratio has been calculated using a conversion rate of six thousand cubic feet of natural gas to one barrel. This conversion ratio of six thousand cubic feet of natural gas to one barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

In this presentation, the Company has referred to OOIP, meaning original oil in place and original gas in place, respectively, which are hereinafter collectively called "discovered petroleum initially-in-place". Discovered petroleum initially-in-place is the quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of discovered petroleum-in-place includes production, reserves and contingent resources; the remainder is unrecoverable. A recovery project cannot be defined for these volumes of discovered petroleum initially-in-place at this time. There is no certainty that it will be commercially viable to produce any portion of the resources. Additionally, in respect of the prospective resources disclosed in this presentation, there is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

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**All dollar amounts in this document are in United States Dollars unless otherwise stated**



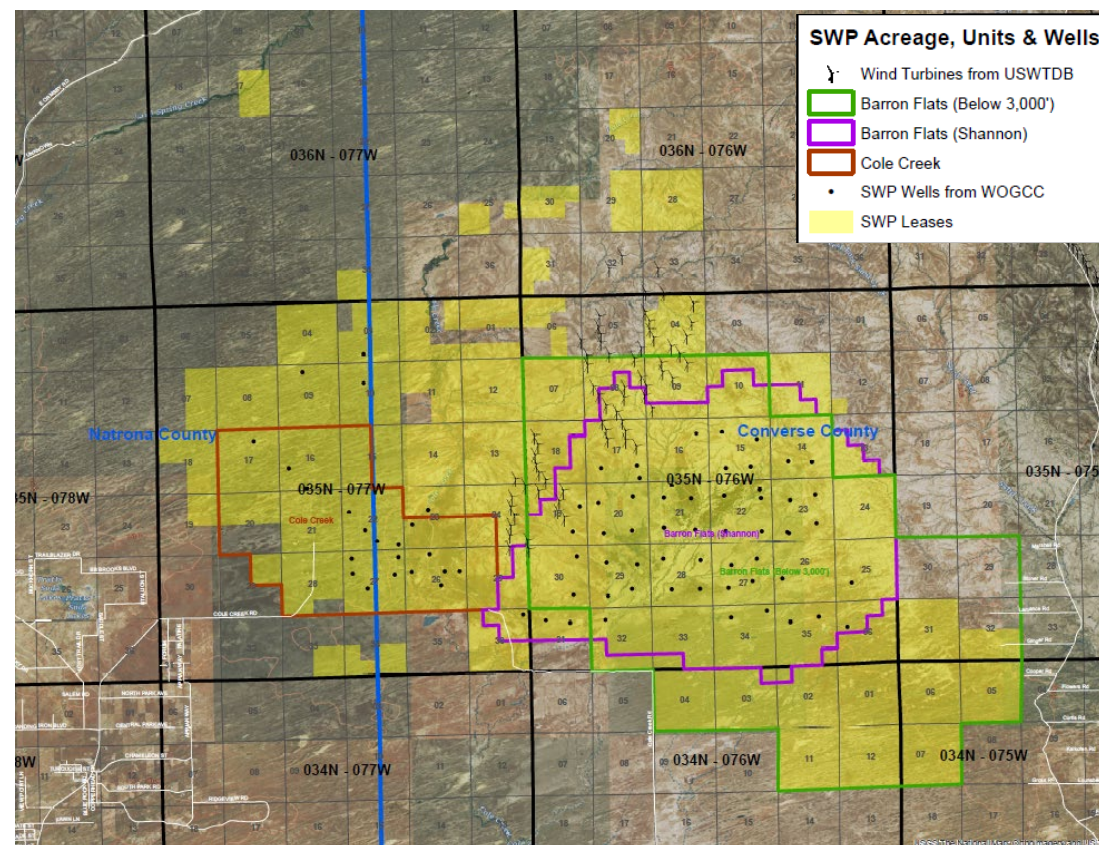


# Canadian Overseas Petroleum Limited

## Introduction

- Canadian Overseas Petroleum Limited (“COPL”) is a US-focused oil producer operating, through its affiliate COPL America Inc, three Wyoming Powder River Basin assets:
  - Barron Flats Unit (“BFU”): 58% WI
  - Cole Creek (“CC”): 67% WI
  - Barron Flats Federal (Deep) Unit (“BFFDU”): 56% WI
- COPL has a 40+ year reserve life and inclining oil production from gas miscible flood, with facilities built and commissioned in 2019
  - Current production (gross): 2,000bbl/d
  - 2P reserves: 26mmbbls
- The Company is listed on the Canadian Stock Exchange (CSE: XOP) and the London Stock Exchange (LSE: COPL)

## Asset Map<sup>1</sup>



<sup>1</sup> SWP is Southwestern Production Corp., the operator of BFU, CC, and BFFDU, and it is 100% owned by COPL affiliate COPL America Inc  
Source: SWP, CapIQ, Ryder Scott Reserve Report December 31, 2021

# COPL Delivered on its 2021 Objectives



## **Company changing acquisition**

- Raised \$85M in debt and equity to acquire 1,100bbl/d light oil production in the Powder River Basin, WY from a distressed seller
- \$54M acquisition for 26mmbbls 2P reserves (net)



## **Development of early life miscible gas flood**

- Injected +2.2bcf of gas/lpg to test BFU reservoir, resulting in increased oil production of more than 2,000bbl/d in response to gas injection
- Reservoir re-simulation by Independent Reservoir Technologies (Denver, CO) confirmed the BFSU Miscible Flood scheme is performing beyond expectations



## **Exploration: drilled and tested the first exploration well at BFFDU resulting in discovery of 1.28-1.64bnbbbls of OIP, underlying COPL lands**

- Conventional light oil discovery in four Frontier Sands and Dakota Sands
- Initial production of c. 100bbl/d from Dakota Sands



## **Strategically positioned to consolidate Wyoming working interests**

- Established lien as creditor in Wyoming to bankrupt partner Cuda Energy LLC, with liens filed to protect COPL affiliate COPL America, Inc. in priority to Cuda's Canadian lenders



# COPL 2022 Corporate Objectives

- 1** Complete the consolidation of available interests in the Wyoming Assets
- 2** Refinance COPL America, Inc.'s credit facility to reduce the Company's cost of capital
- 3** Optimize and increase oil production at the Barron Flats Shannon Unit miscible flood
- 4** Commence Phase 1 delineation of the 2021 Barron Flats Federal (Deep) Unit oil discovery
- 5** Maintain the current ESG operating credentials
- 6** Restructure COPL America, Inc.'s Hedging Program

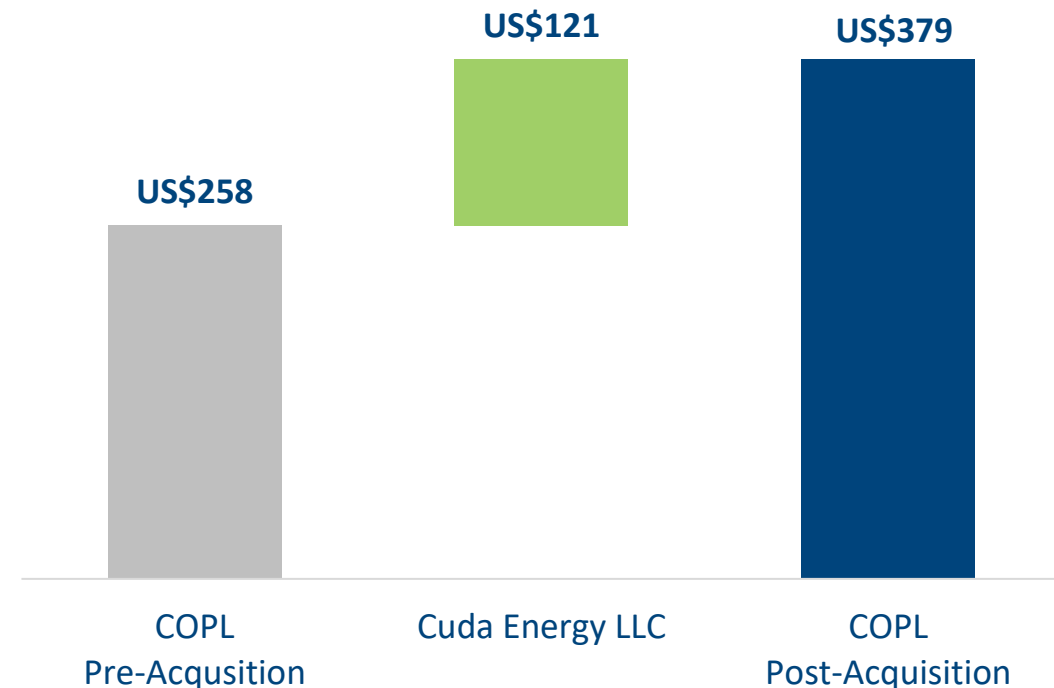


# 1 Consolidation of Wyoming Assets

## Cuda Energy Acquisition Overview

- Cuda Energy LLC (“Cuda”) is currently in receivership under Chapter 15 of the US Federal Bankruptcy Code
- Cuda has a non-operating interest in:
  - 27% WI in the Barron Flats Shannon Unit
  - 27.5%-33.333% in the Barron Flats Federal (Deep) Unit, Cole Creek Unit and non-unitized lands
- COPL is the operator of all Cuda licenses
- COPL has signed a Purchase and Sale Agreement to acquire the assets of Cuda for cash and credit at an implied value of 90% of the working interest adjusted (47%) Atomic acquisition cost of \$54M
- Acquisition provides significant leverage to COPL:
  - COPL NPV at 10% DCF: \$258M<sup>1</sup>, implied addition on Cuda acquisition: \$121M

## Net Asset Value Impact of Acquisition



<sup>1</sup> See p. 15

Note: Transaction is subject to court approval (Approval and Vesting Order with the Court of Queens Bench of Alberta, Canada and US Sale Recognition Order with the United States Bankruptcy Court of the District of Wyoming)

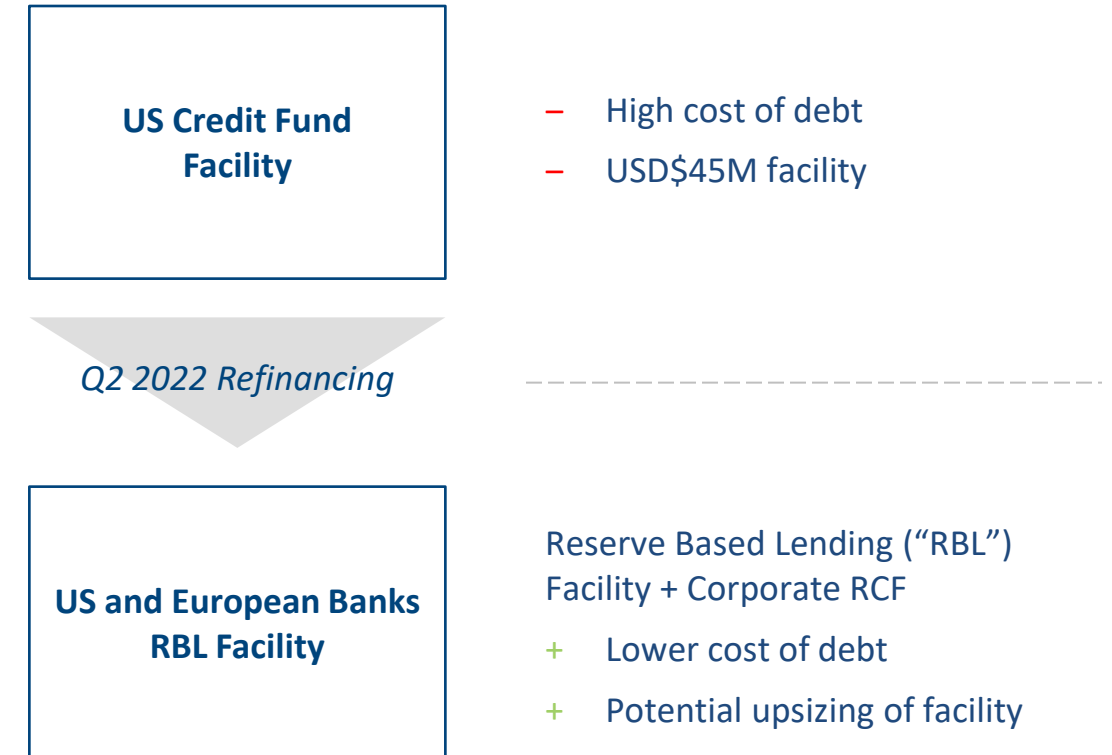
Source: Ryder Scott Reserve Report December 31, 2021

## 2 Refinancing of Credit Facility

### US Refinancing Overview

- COPL America, Inc. has a USD\$45M (drawn) credit facility with a large US Credit Fund with no guarantees from its parent Canadian Overseas Petroleum Limited
- COPL is currently in discussions with a US bank to enter into a conventional RBL to replace the current facility as well as a revolver for operating flexibility
- Syndication of this proposed facility is being solicited to two European Banks lending to the energy sector through a Paris based debt advisor
- COPL is undertaking this refinance to reduce its cost of capital and to provide enhanced operating flexibility
- Target: Early Q2 2022

### Pros/Cons of Refinancing



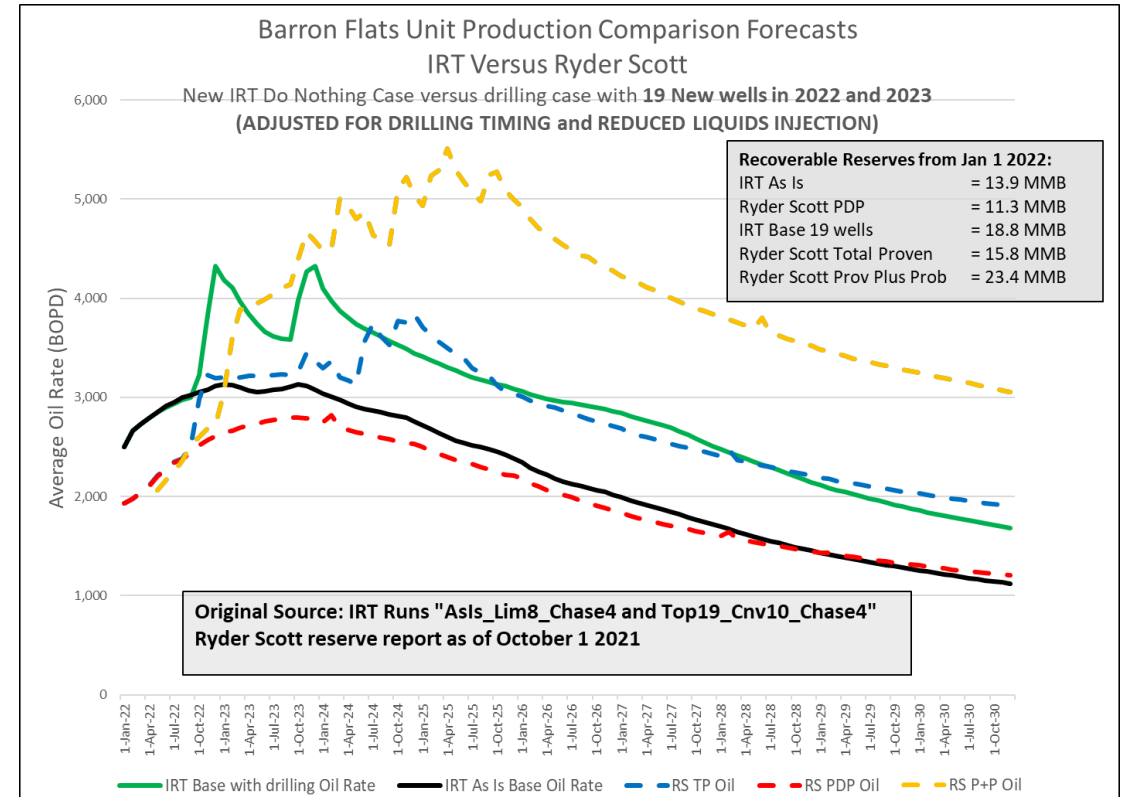


# 3 Barron Flats Shannon Unit Field Optimization

## Field Optimization Overview

- Production at the Barron Flats Shannon Unit (BFSU) field is currently c. 1,900bbl/d (gross)
- 500-800bbl/d of production capacity is restricted due to surface facility working pressure constraints
- The performance of the miscible flood is exceeding the initial simulations performed by Atomic in 2019, and COPL in January 2021 (pre-completion) and October 2021 to January 2022<sup>1</sup>
- Several wells are flowing above field gas gathering system and flow line pressure limitations
- AFEs have been sent to unit WI holders to upgrade the gas gathering/plant system ~~to~~ and to build a central oil processing facility and associated gathering system during the next six months<sup>2</sup>
- Nine<sup>3</sup> additional wells to be drilled, completed and tied-in in 2022
- Optimization will unlock >4,000bbl/d (gross) over the next 1-2yrs
- Cost (gross): US\$49M<sup>4</sup>

## Barron Flats Production Forecast Comparison



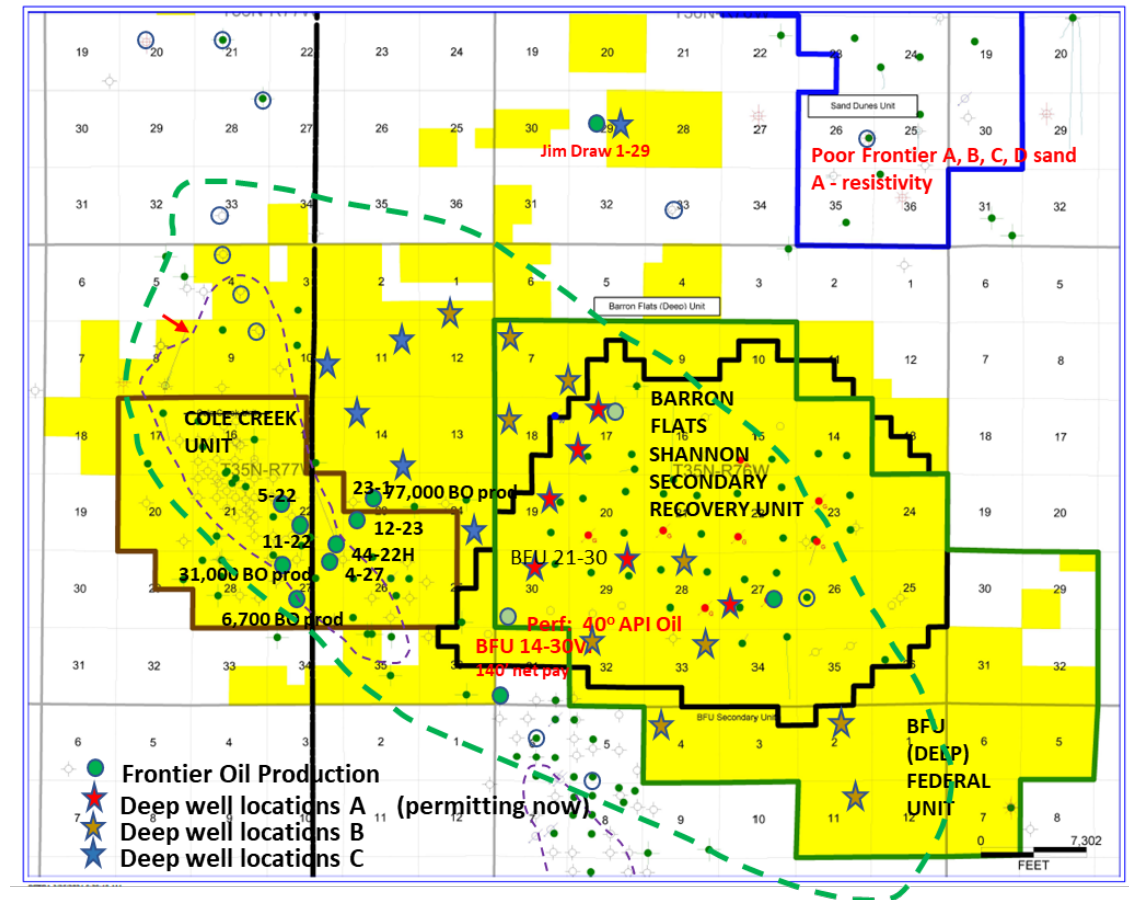
<sup>1</sup> See p. 21; <sup>2</sup> see p. 18; <sup>3</sup> 8 production 1 injection well, see p.19 & 20; in addition, 2 production wells will be converted to injection wells; <sup>4</sup> Gas Gathering: \$12M, Crude Oil Production Facility: \$16M, Wells: \$21M

# 4 Delineation of Barron Flats Federal (Deep) Unit Oil Discovery

## Barron Flats Federal (Deep) Unit Overview

- COPL has made a significant stratigraphic oil discovery in the Barron Flats Federal (Deep) Unit and non-Unit lands extending west to the Cole Creek Unit
- Majority of the resource is in the Upper Cretaceous Frontier Fm sands with the minority in the Lower Cretaceous Dakota Fm sand<sup>1</sup>
- COPL is permitting 16 delineation wells at a spacing of one well per square mile for Phase 1 of the delineation
- Each well will be completed with one horizontal leg 500-1000 ft in length in the lowermost Frontier sand and placed on production<sup>2</sup>
- Ryder Scott has reviewed the proposed spacing of Phase 1 drilling and has indicated it will allow for the booking of 2P producing/developed reserves and 2P undeveloped reserves
- AFEs are being prepared for drilling of the first five wells in 2022-2023 for circulation to WI partners
- Current estimated cost (gross): \$15M

## Stratigraphic Map: Frontier Discovery - Base Case



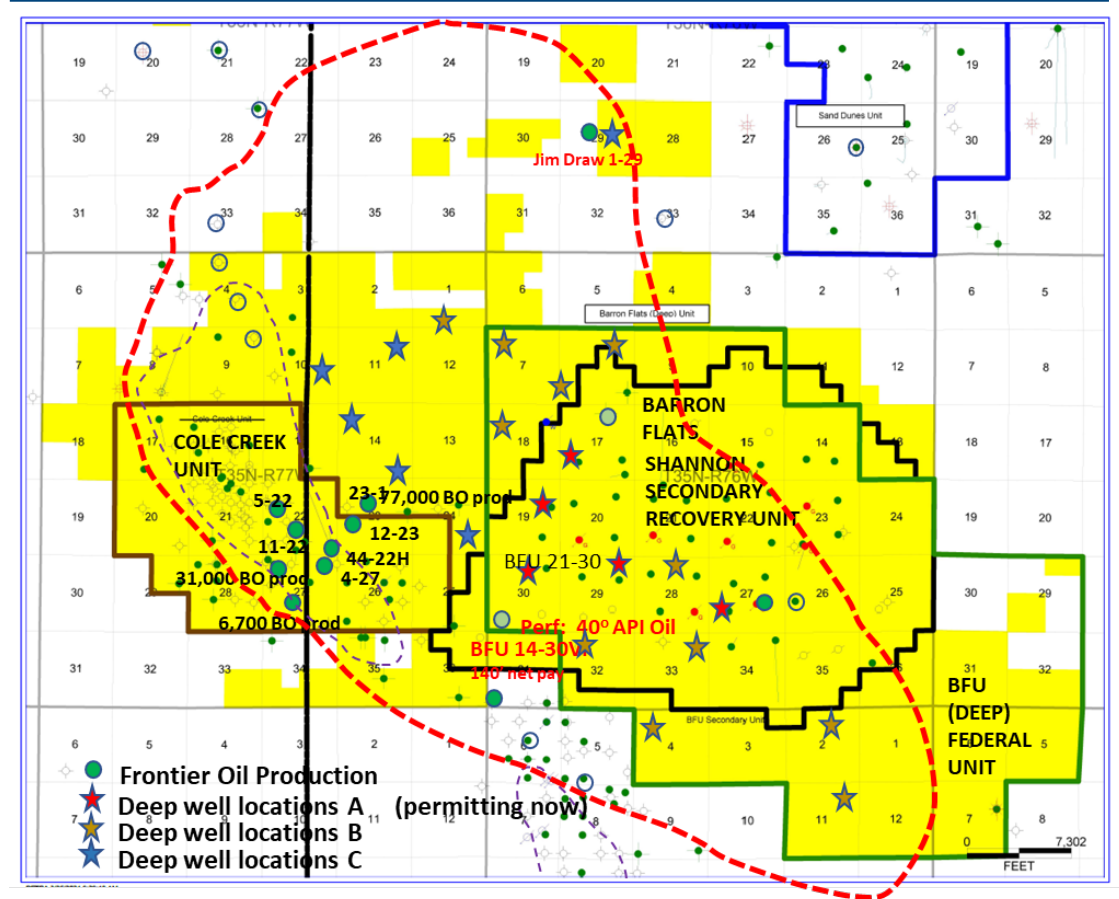
<sup>1</sup> See p.22-24; <sup>2</sup> see p.25; wells can be fracture stimulated if required

# 4 Delineation of Barron Flats Federal (Deep) Unit Oil Discovery

## BFFDU Delineation Objectives

- Objectives of the delineation program are to collect reservoir data (PVT) to evaluate the way forward for field development to optimise oil recovery from day one
  - Stratigraphic oil accumulations in Upper and Lower Cretaceous reservoirs are gas expansion drive without bottom water
  - As such, primary recovery factors by analogy are limited to 10% maximum until the reservoir reaches bubble point
  - Analogous large stratigraphic oil accumulations such as the Pembina Cardium field in Alberta, Canada went under secondary recovery early in the life of field, historically through waterflood
  - COPL's current thoughts are to implement "miscible enriched gas flooding" early, working outwards from its operated miscible flood gas plants infrastructure
  - This scheme will over time increase recoveries of the oil in place to 50% or greater

## Stratigraphic Map: Frontier Discovery - High Case



**5 Maintain the current ESG operating credentials of zero gas flaring and sourcing wind driven electricity for operations**

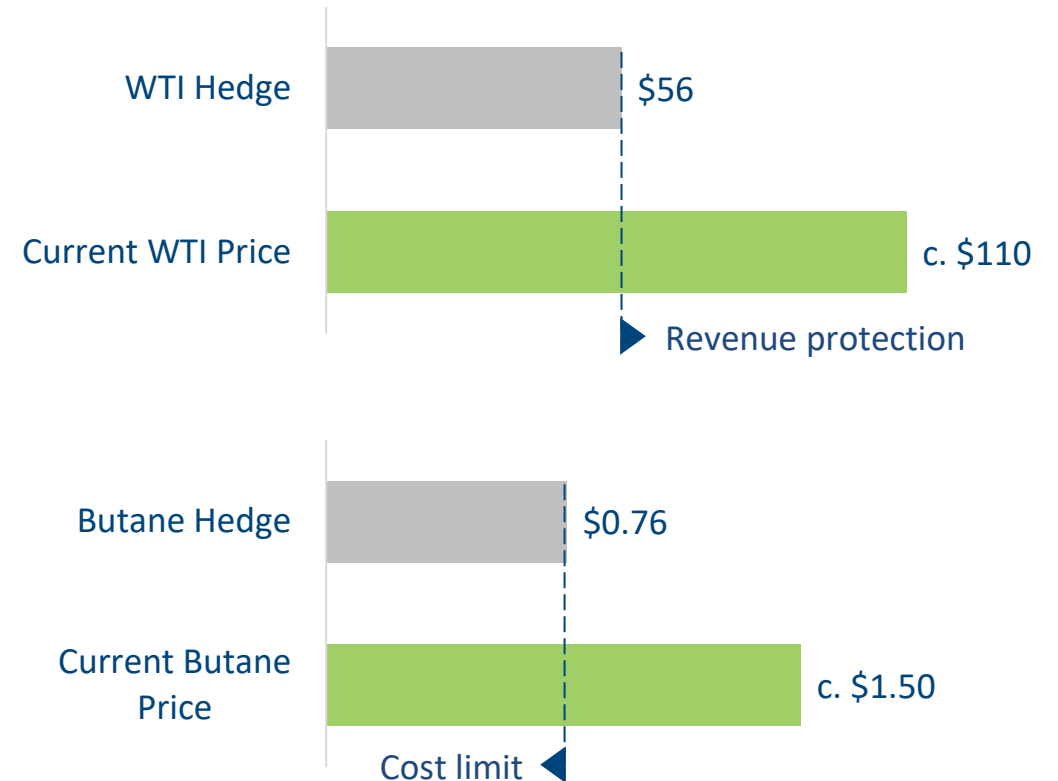


## 6 Hedging Program Restructuring

### Hedging Overview

- COPL America, Inc.'s current Hedge Program:
  - 1,000bbl/d swaps at \$56/bbl WTI for 2022 against COPL's crude oil production<sup>1</sup>
  - 1.2M gallons/month of Butane (C<sub>4</sub>) @ MBV La swaps at \$0.76/gallon for 2022 to offset COPL's Butane purchases
- Currently the sales swaps (crude oil) and purchase swaps (C<sub>4</sub>) offset each other
- COPL is reducing its NGL purchases from 2.2M gallons/month in 2021 to minor to nil volumes in 2022, after switching over to pure Methane (C<sub>1</sub>) injection at its BFSU miscible flood

### Hedging Levels vs. Current Prices<sup>2</sup>



<sup>1</sup> Swaps entered into March 15, 2021; <sup>2</sup> WTI and Butane as of March 23, 2022



# APPENDIX



# COPL Reserves and NPV: Ryder Scott @ December 31, 2021

CANADIAN OVERSEAS PETROLEUM LIMITED

SUMMARY OF GROSS AND NET RESERVE AND INCOME DATA

CURRENCY : USD PRICE SCENARIO : ESCALATED

AS OF DECEMBER 31, 2021

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CANADIAN OVERSEAS PETROLEUM LIMITED

**GROSS RESERVES (COMPANY WORKING INTEREST RESERVES BEFORE ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Proved Producing	7,782,974	6,756,084	-	-	3,851	-	385,084	-	-
Proved Non-Producing	93,119	93,119	-	-	-	-	-	-	-
Proved Undeveloped	7,295,564	6,266,748	-	-	3,567	-	434,288	-	-
<b>Total Proved</b>	<b>15,171,658</b>	<b>13,115,951</b>	<b>-</b>	<b>-</b>	<b>7,418</b>	<b>-</b>	<b>819,372</b>	<b>-</b>	<b>-</b>
Total Probable	14,119,585	12,687,553	-	-	4,776	-	636,050	-	-
<b>Total Proved Plus Probable</b>	<b>29,291,243</b>	<b>25,803,505</b>	<b>-</b>	<b>-</b>	<b>12,194</b>	<b>-</b>	<b>1,455,422</b>	<b>-</b>	<b>-</b>

**NET RESERVES (COMPANY RESERVES AFTER ROYALTIES)**

	Total (BOE)	Light and Medium Oil (Barrels)	Heavy Oil (Barrels)	Non-Conv. Oil (Barrels)	Conventional Associated (MMcf)	Natural Gas Non-Associated (MMcf)	Natural Gas Liquids (Barrels)	Sulfur (Lt)	Non-Conv. Gas (MMcf)
Proved Producing	6,024,480	5,230,475	-	-	2,978	-	297,752	-	-
Proved Non-Producing	70,291	70,291	-	-	-	-	-	-	-
Proved Undeveloped	5,635,451	4,840,609	-	-	2,756	-	335,490	-	-
<b>Total Proved</b>	<b>11,730,222</b>	<b>10,141,374</b>	<b>-</b>	<b>-</b>	<b>5,734</b>	<b>-</b>	<b>633,241</b>	<b>-</b>	<b>-</b>
Total Probable	10,906,298	9,800,362	-	-	3,689	-	491,174	-	-
<b>Total Proved Plus Probable</b>	<b>22,636,519</b>	<b>19,941,736</b>	<b>-</b>	<b>-</b>	<b>9,422</b>	<b>-</b>	<b>1,124,415</b>	<b>-</b>	<b>-</b>

**DISCOUNTED NET REVENUE BEFORE TAX - (\$M)**

	0 %	5 %	8 %	10 %	15 %	20 %	Net Unit Value Disc. @ 10 % (\$/boe)
Proved Producing	224,557	129,053	102,689	90,541	70,153	57,414	15.03
Proved Non-Producing	776	862	855	838	775	701	11.92
Proved Undeveloped	140,532	74,931	51,893	40,514	20,954	9,210	7.19
<b>Total Proved</b>	<b>365,866</b>	<b>204,846</b>	<b>155,437</b>	<b>131,893</b>	<b>91,882</b>	<b>67,325</b>	<b>11.24</b>
Total Probable	389,857	210,608	153,084	125,967	81,475	55,982	11.55
<b>Total Proved Plus Probable</b>	<b>755,723</b>	<b>415,454</b>	<b>308,522</b>	<b>257,860</b>	<b>173,357</b>	<b>123,307</b>	<b>11.39</b>

GAS: 6.0 MCF/BOE

FILTER: COPL YE 2021.XML

**RYDER SCOTT COMPANY**  
PETROLEUM CONSULTANTS



# Definitions

1. **“Gross Reserves”** are the Corporation’s working interest (operating or non-operating) share before deduction of royalties and without including any royalty interests of the Corporation. **“Net Reserves”** are the Corporation’s working interest (operating or non-operating) share after deduction of royalty obligations, plus the Corporation’s royalty interests in reserves.
2. **“Proved”** reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. There is a 90% probability that the actual remaining quantities recovered will exceed the estimated proved reserves.
3. **“Probable”** reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.
4. **“Possible”** reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.
5. **“Developed”** reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (for example, when compared to the cost of drilling a well) to put the reserves on production.
6. **“Developed Producing”** reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.
7. **“Developed Non-Producing”** reserves are those reserves that either have not been on production, or have previously been on production, but are shut in, and the date of resumption of production is unknown.
8. **“Undeveloped”** reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserve classification (Proved, Probable, Possible) to which they are assigned.



# Definitions, Abbreviations and Conversions




All dollar amounts are in USD unless otherwise stated

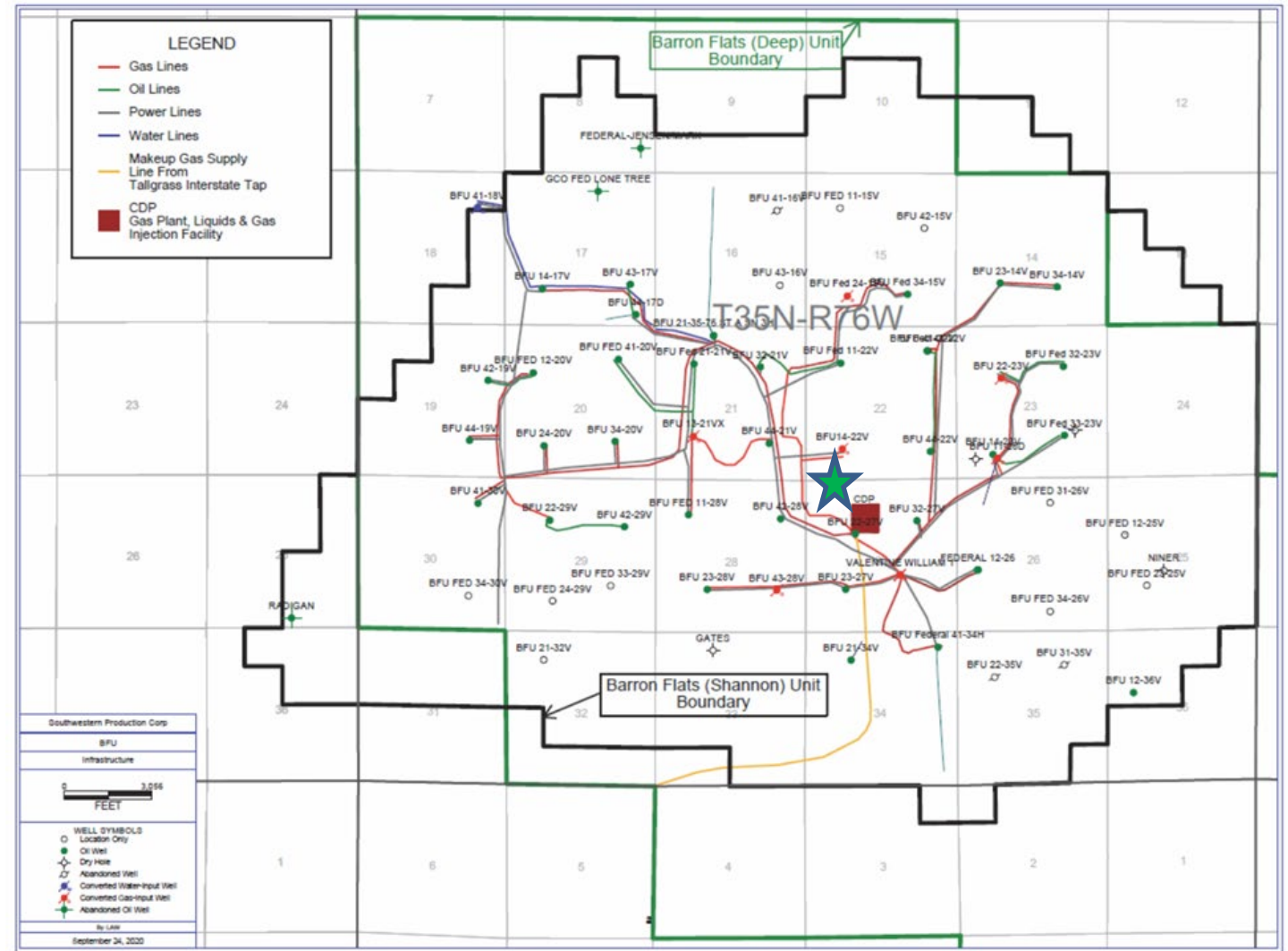
CRUDE OIL AND NATURAL GAS		NATURAL GAS	
bbl.	barrel	Mscf	thousand standard Cubic feet
bbl.	barrels	MMscf	millions standard Cubic feet
Mbbls	thousands of barrels	MMscf/d	thousand standard Cubic feet per day
MMbbls	millions of barrels	MMBTU	million British thermal units
MSTB	1,000 stock tank barrels	Bscf	billion standard Cubic feet
bbl./d	barrels per day	GJ	gigajoule
NGLs	natural gas liquids		
STB	stock tank barrels of oil		
STB/d	stock tank barrels of oil per day		

<b>BOE</b>	Barrel of oil equivalent on the basis that 1 barrel of oil is equivalent to 6 Mscf of natural gas. BOE's may be misleading, particularly if used in isolation. A BOE conversion ration of 1 barrel of oil for 6 Mscf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the well head.
<b>BOE/d</b>	Barrel of oil equivalent per day
<b>m<sup>3</sup></b>	Cubic meters



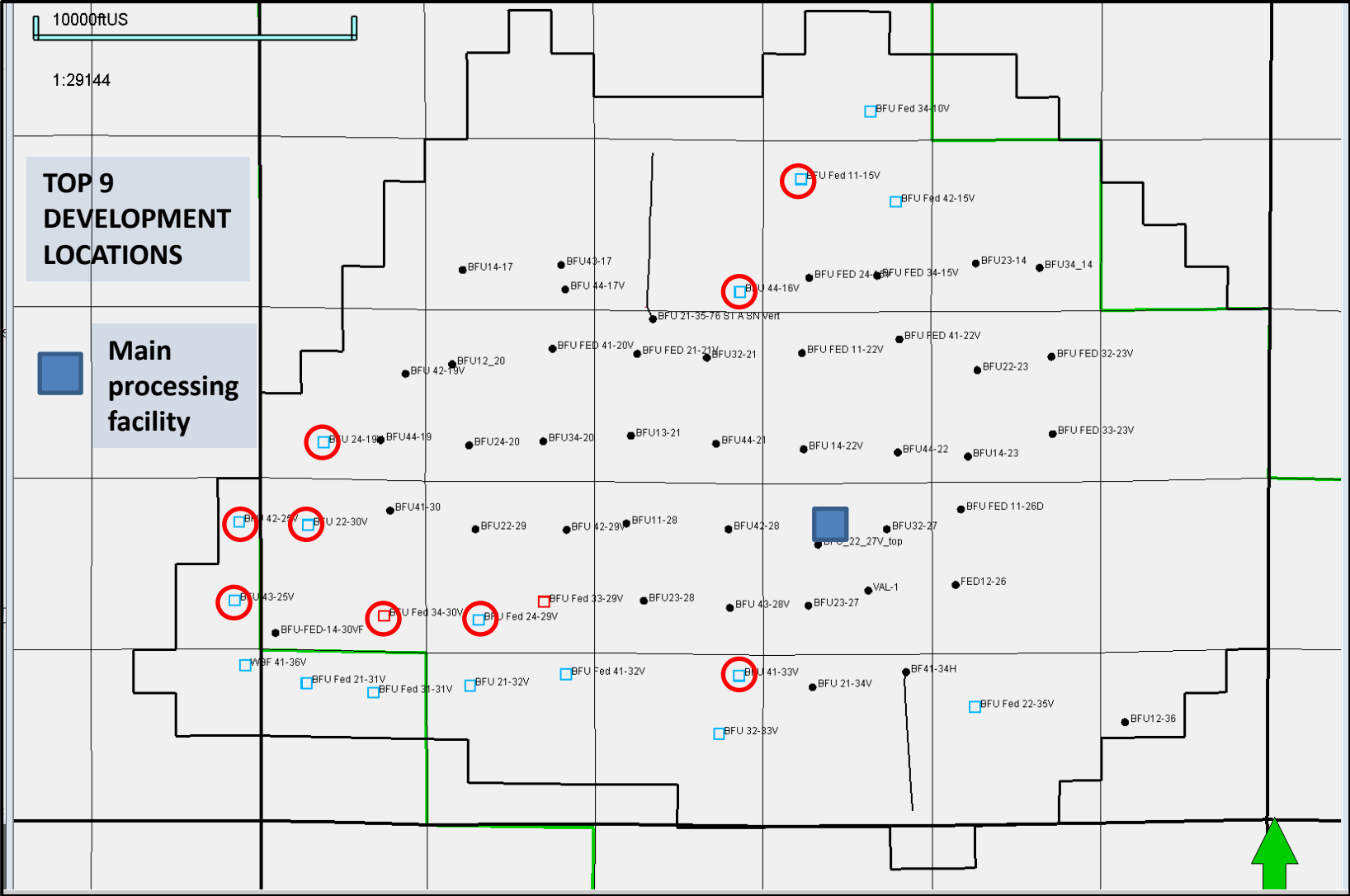
# Barron Flats Shannon Unit: Gas, Oil Gathering System and Plant

- Location of new Oil Processing Facility 
- Existing gas gathering lines to be twinned to increase volume while maintaining current working pressure 
- Current oil gathering system 
- New oil gathering system from current satellite oil batteries terminus to new Central Oil Processing facility to be constructed at the Gas Plant Site
  - This will attract the building of a sales pipeline twinned to the High Pressure Gas supply line for tie-in to a regional oil transmission line. This will increase oil price net-backs by \$2.50/bbl
- Gas Plant upgrades to increase compression and allow for variable % NGL components to select injection wells under the current “enriched gas” miscible scheme

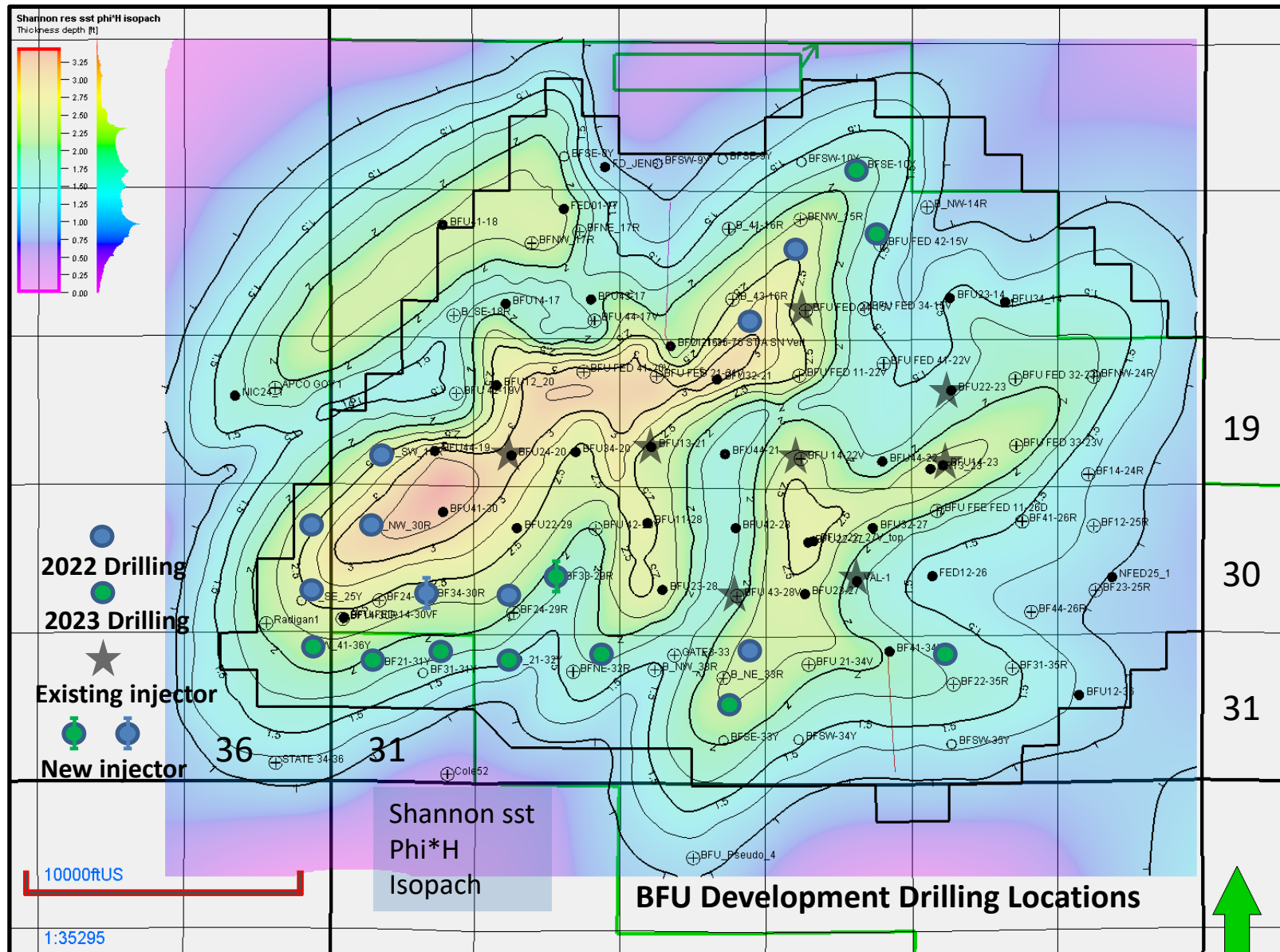




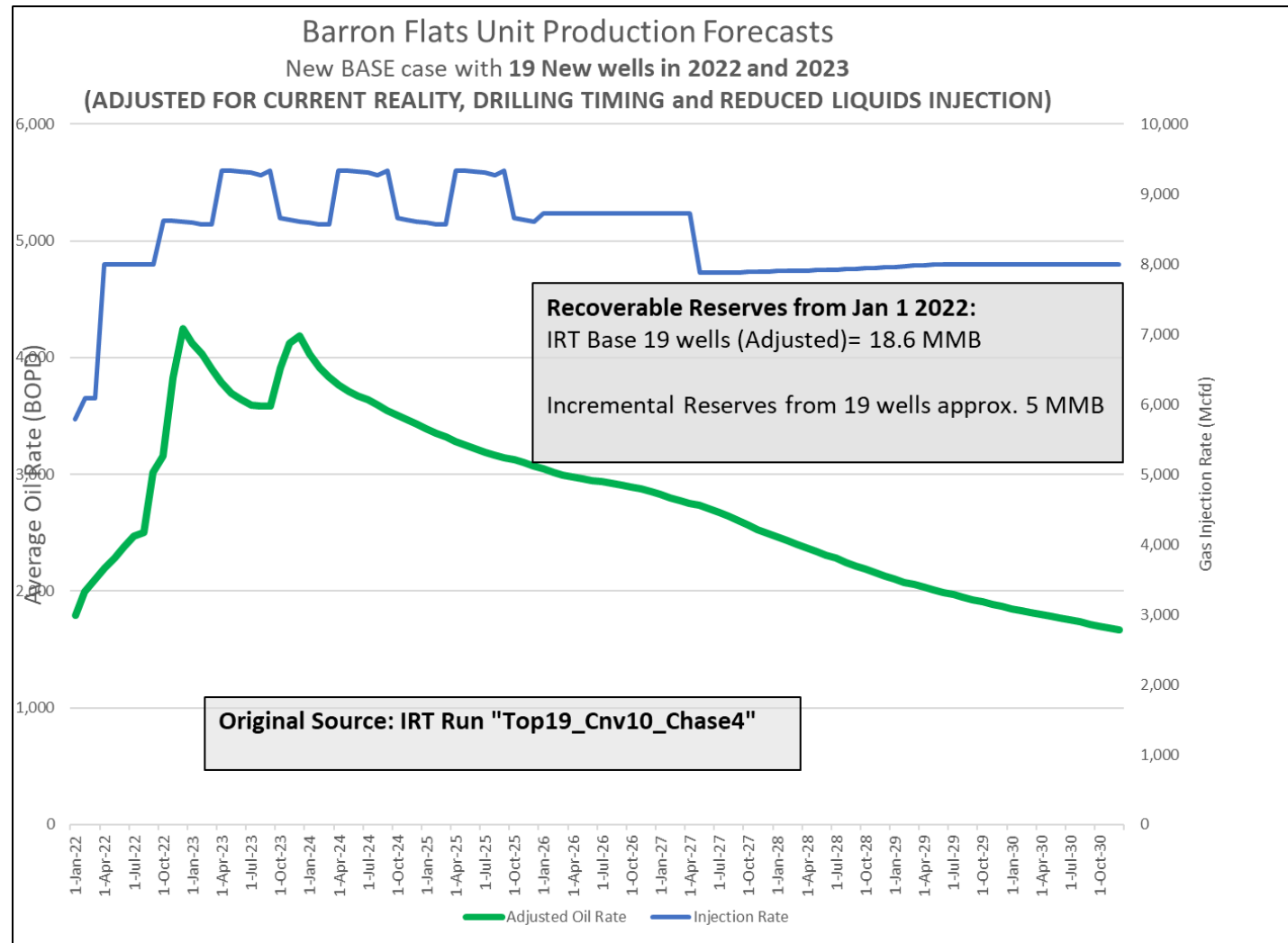
# Barron Flats Shannon Unit: 2022 Drilling Locations



## Barron Flats Shannon Unit: 2022 Drilling Locations (2)



# January 2022 IRT Simulation: Base Case



- Large Parkerton Ranch Frontier stratigraphic trap could be 39,340 acres (61.5 square miles) in size with Company acreage accounting for 90% of prospective land
- Reservoir parameters included area = 39,340 acres; average net pay = 70'; average Sw = 30%; average porosity = 10%; Boi = 1.15
- OOIP calculations = 1.30 billion barrels of oil
- Primary recovery = 8 – 10%
- 104 to 130 million barrels of oil recoverable
- Secondary recovery = 40%
- 520 million barrels of oil





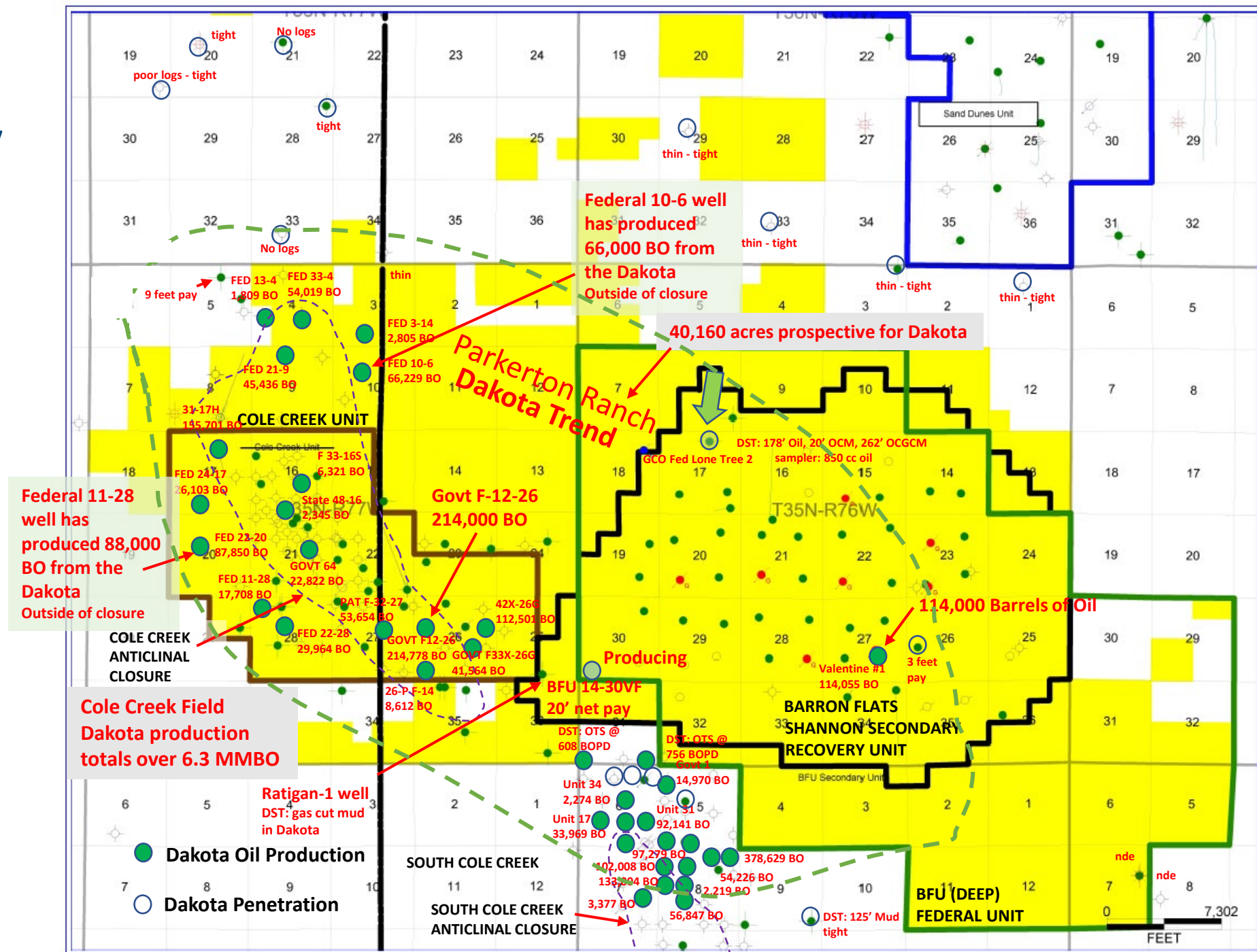
- Potentially larger Frontier stratigraphic trap could be 50,700 acres (79.2 square miles) in size with Company acreage accounting for 70% of prospective land
- Reservoir parameters included area = 50,700 acres; average net pay = 70'; average  $S_w$  = 30%; average porosity = 10%;  $Bo_i$  = 1.15
- OOIP calculations = 1.7 billion barrels of oil
- Primary recovery = 8-10%
- 136 to 170 mmbbls of oil recoverable
- Secondary recovery = 40%
- 680 million barrels of oil





# Barron Flats Federal (Deep) Unit: Parkerton Ranch Dakota Discovery

- Large Parkerton Ranch Dakota stratigraphic trap could be 40,160 acres (62.75 square miles) in size with company acreage accounting for 90% of prospective land
- Reservoir parameters included area = 40,160 acres; average net pay = 12'; average Sw = 25%; average porosity = 15%; Boi = 1.15
- OOIP calculations = 365 million barrels of oil
- Primary recovery = 8 – 10%
- 29 to 37 million barrels of oil recoverable
- Secondary recovery = 40%
- 146 million barrels of oil



# BFFDU Frontier Formation – Appraisal Wells

## Appraisal Wells Overview

- Initial appraisal/delineation wells in the Frontier will be drilled with vertical pilot holes that will provide the necessary information to select the two or three (or four) best Frontier sands (A, B, C, or D) to drill short radius horizontal legs to best exploit the targets
- Each short radius horizontal leg will be about 500 - 1000 feet in length for the first few delineation wells
- Each pilot hole will have (at least) two short radius horizontal legs in separate Frontier sand zones
- The significant geographic size of this trap will require many delineation/appraisal wells to circumscribe the trap extent
- Eventually, longer horizontal wells will be implemented as the best way to exploit the Frontier sands once the field is delineated

## Schematic: Horizontal Drilling

