

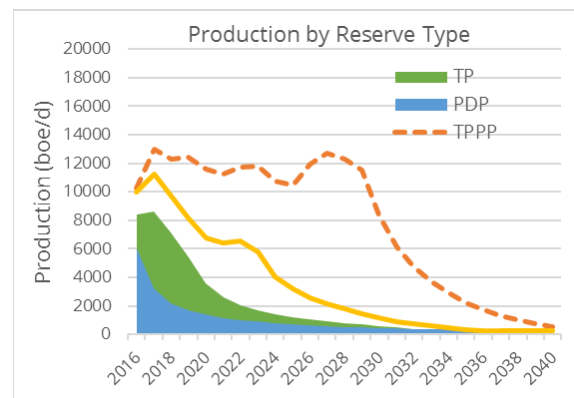


GPO A&D VALUATION METHODOLOGY

GPO & Associates provides expert advisory services and experience to a wide range of exploration and production companies in the delivery of business strategies, shareholder value, asset development plans and project definition in the complex oil sands market.

BACKGROUND

GPO & Associates has developed a fact based A&D Valuation methodology for conventional, unconventional and oil sands developments. GPO's process uses engineering know how and a multi-discipline team to evaluate the reservoir, validate the reserves report and give the best estimate of future value of the asset.



WHAT WE DID

GPO & Associates worked with clients to:

- Understand industry positioning and drivers for company or asset purchase
- Advise on future levers to provide successful upside for the organization. Capital efficiency, EOR or OPEX savings.
- Delivered a corporate overview, technical and financial evaluation of the asset or organization that is being considered for purchase and validated the client's drivers and fit of the asset/company in the corporate portfolio model.

OUR IMPACT

GPO & Associates delivered:

- Acceleration of client decision making facilitated by GPO & Associates' evaluation of the asset purchase
- Allowed the client to form a bid strategy or to move on to assets that fit their corporate strategy quicker.
- Client understanding of fit of the asset in the overall portfolio.





GPO A&D VALUATION METHODOLOGY

	\$65 Base Corporate (TPPP)	\$65 Base Corporate ASSET 2 PDP (TPPP)	\$80 Base Corporate (TPPP)
NPV(10) \$MM CAD includes G&A (\$1.50/BOE)	97	121	188
Acquisition Price \$/BOE based on NPV(10) and 10,000 bpd production	9,747	12,130	18,750
Price \$/Share Based on NPV(10) and shares outstanding	0.78	0.97	1.50
Acquisition Price \$/BOE based on current market capitalization of \$180 MM	16,364		
Acquisition Price \$/BOE	24,839		

FUTURE ASSET VALUE VIEW

Using a multi-discipline team of reservoir engineering, operations, business and geology the team creates a bottoms-up evaluation of the asset value for an organization. GPO does this by validating the reserves report and creating a technical based development plan to understand the future value of the resource.

GPO PROJECT SUCCESS

Through the application of GPO's process, significant value has been realized for our clients through a quick and accurate mapping and depletion planning exercise the future value of the asset can be determined. Several clients have used GPO to create the values used to bid on A&D packages that fit their corporate strategy.

