



TENAZ ENERGY

Proven principles, new opportunities.

Advisory on Forward-Looking Statements



Note to Investors

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Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this presentation constitutes forward-looking information or forward-looking statements (collectively, “forward-looking statements”) under applicable securities laws. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements typically contain words such as “anticipate”, “believe”, “confirms”, “continuous”, “estimate”, “expect”, “may”, “plan”, “project”, “should”, “will”, or similar words suggesting future outcomes. Forward-looking statements in this document include, statements and tables with respect to potential capital investments (including cost estimates, expenditures and deployment timing); strategic initiatives (including investment allocation between geographic concentrations); anticipated producer activity and industry trends; and anticipated performance (including estimated internal rates of return, returns on investment, net present values, yield on investment and dividend amounts and timing), as well as the timing of, and the Corporation’s ability to successfully complete acquisitions.

Readers are cautioned not to place undue reliance on the forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, as well as known and unknown risks and uncertainties, both general to the industry as a whole and specific to the Corporation and its proposed investments and strategies, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur and which may cause the Corporation’s actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by the forward-looking statements contained herein. These assumptions, risks and uncertainties include, among other things: ability to successfully implement strategic initiatives and whether such initiatives yield the expected benefits and results; fluctuations in the supply and demand for natural gas, NGLs and crude oil; assumptions regarding commodity prices; activities of producers, competitors and others; the weather; assumptions around construction schedules and costs, including the availability and cost of materials and service providers; fluctuations in currency and interest rates; credit risks; marketing margins; disruption or unexpected technical difficulties in developing assets; Tenaz’s ability to generate sufficient cash flow from operations to meet its current and future obligations; its ability to access external sources of debt and equity capital; changes in laws or regulations or the interpretations of such laws or regulations; political and economic conditions; and other risks and uncertainties described from time to time in the reports and filings made by Tenaz with securities regulatory authorities or otherwise. Readers are cautioned that the foregoing list of important factors is not exhaustive. All forward-looking statements contained in this document are expressly qualified by this cautionary statement.

Financial outlook and future-oriented financial information contained in this presentation about prospective financial performance or financial position is based on assumptions about future events, including any economic conditions and proposed courses of action, based on management’s assessment of the relevant information currently available. Readers are cautioned that any such financial outlook and future-oriented financial information contained herein should not be used for purposes other than for which it is disclosed herein. The prospective financial information included in this presentation has been prepared by, and is the responsibility of, management and has been approved by management as of the date hereof. The Corporation and management believe that prospective financial information has been prepared on a reasonable basis, reflecting the best estimates and judgments, and represent, to the best of management’s knowledge and opinion, the Corporation’s expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results. Tenaz believes that its financial analyses must be considered as a whole and that selecting portions of its analyses and the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying such financial analyses. The preparation of any financial forecast is complex and is not necessarily susceptible to partial analysis or summary description and any attempt to do so could lead to undue emphasis on any particular factor or analysis.

Forward-looking statements, financial outlook and future-oriented financial information contained in this presentation are made as at the date of this presentation and we disclaim any intent or obligation to update or to revise any of the included forward-looking statements, financial outlook or future-oriented financial information whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.



Corporate Overview





Executive Team



Anthony Marino
Chief Executive Officer

- Former President and CEO of Vermilion Energy, Baytex Energy and Dominion Exploration Canada
- Earlier management and technical experience with AEC, Santa Fe Snyder, Plains and Atlantic Richfield
- BS Petroleum Engineering (U. of Kansas), MBA (California State U.), CFA



Michael Kaluza
Chief Operating Officer

- Former COO of Vermilion Energy, VP of Corporate Development for Baytex Energy, and COO of Delphi Energy
- Earlier technical experience with Dominion Energy and Phillips Petroleum
- BS Petroleum Engineering (Montana Tech U.)



Bradley Bennett
Chief Financial Officer

- Former Treasurer and Manager, Financial Reporting of Vermilion Energy
- Earlier experience with Enbridge and Deloitte.
- Chartered Accountant (Alberta) & BComm. Accounting & Finance (U. of Northern BC)

Technical and Commercial Officers

Jennifer Russel-Houston
VP, Geoscience

Jonathan Balkwill
VP, Business Development

David Burghardt
SVP, Canada Business Unit



Board of Directors drives a culture of ESG leadership and brings technical, transactional and capital markets experience in a global energy setting

Marty Proctor
Chair

- Director of ARC Resources Ltd. and GreenFirst Forest Products
- Formerly President and CEO of Seven Generations Energy and COO Baytex Energy
- BS and MS Petroleum Engineering (U. of Alberta), Director's Education Program (Haskayne School of Business), and Advanced Management Program at the University of Chicago Booth School of Business

Anna Alderson
Independent Director

- Former Audit Partner at KPMG specializing in energy and financial services and Past Chair of Audit & Investment Committee for YMCA of Calgary
- Director of YMCA of Calgary and member of the Audit Committee for both the Calgary Stampede and Calgary Foundation
- Chartered Accountant (Alberta) & BComm. Accounting (U. of Saskatchewan)

John Chambers
Independent Director

- Current Chairman of Westside Capital, Director of Sun God Resources, Director of Infra Fund IPL and sits on Advisory Board of BlueX Energy
- Prior Vice Chairman and President of GMP FirstEnergy and a member of GMP FirstEnergy's Executive Committee
- MBA International Finance (McGill U.), B.Sc. Geophysics (U. of British Columbia)

Mark Rollins
Independent Director

- Non-executive Chairman of Advance Energy, Non-executive Director of Roquefort Therapeutics
- Formerly CEO and Chairman of Ukranafta, SVP of BG Group, CEO and Director of Avante Petroleum and Managing Director of NUON
- DPhil Engineering Science (U. of Oxford) and MA Mathematics (U. of Cambridge)

Anthony Marino
Non-Independent Director

- Former President and CEO of Vermilion Energy, Baytex Energy and Dominion Exploration Canada
- BS Petroleum Engineering (U. of Kansas), MBA (California State U.), CFA

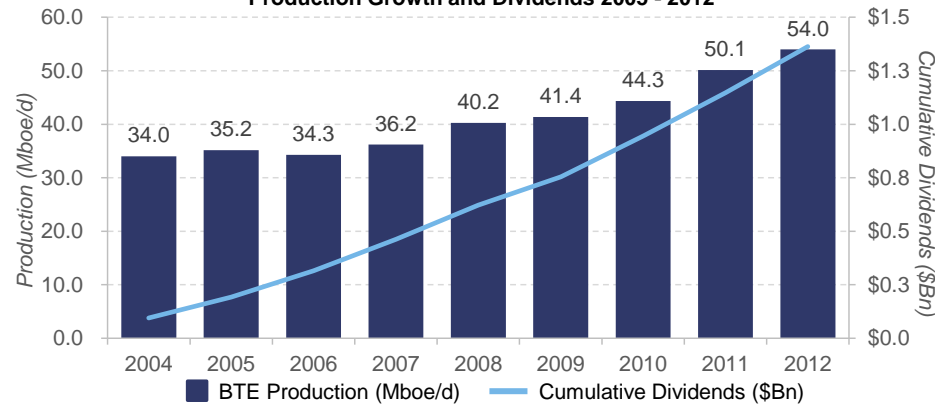
Management Team Record of Market Outperformance



Proven Ability to Scale Both Domestic and International Production Organically and Through M&A

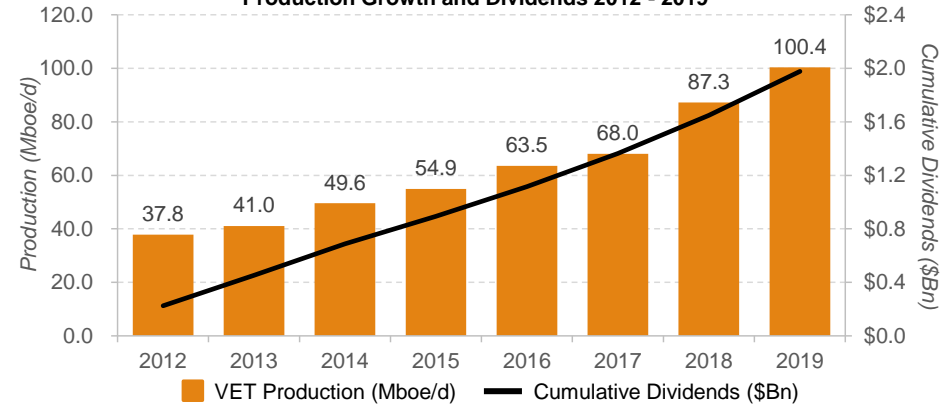
During management tenure, returned \$1.2 Bn in dividends while growing production at a 5% CAGR

Baytex Energy (Canada and US)
Production Growth and Dividends 2005 - 2012



Returned \$2.0 Bn in dividends while growing production at a 11% CAGR

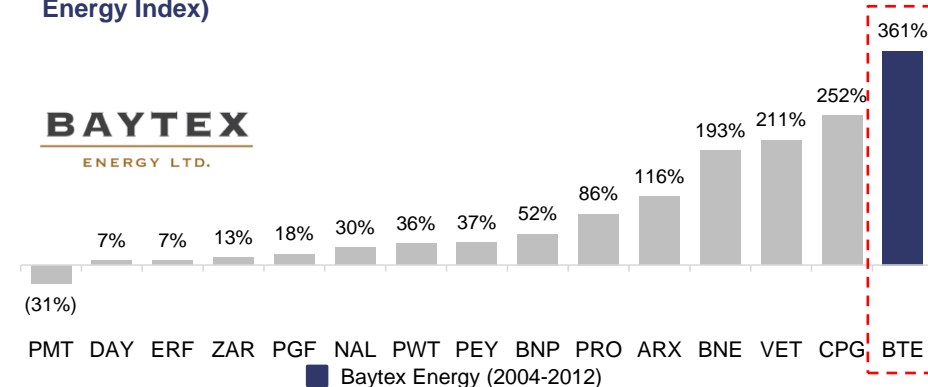
Vermilion Energy (North America, Europe and Australia)
Production Growth and Dividends 2012 - 2019



...While Outperforming on a Total Shareholder Return Basis¹

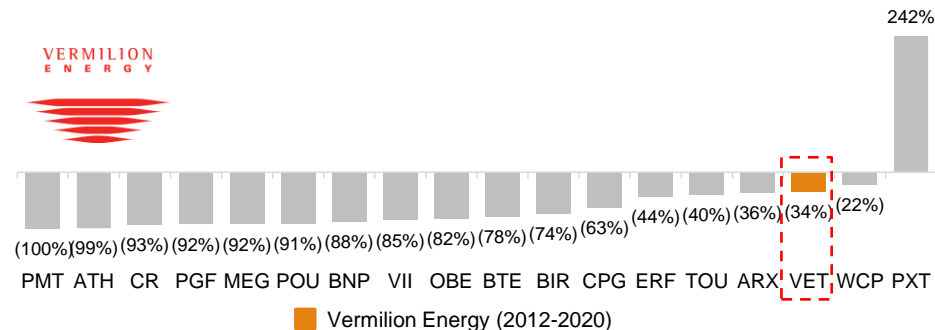
Baytex ranked 1st out of 47 Canadian intermediates in TSR during management tenure (+220% outperformance vs S&P/TSX Capped Energy Index)

BAYTEX
ENERGY LTD.



Vermilion ranked 3rd out of 24 Canadian intermediates in TSR during management tenure (+40% outperformance vs median company)

VERMILION
ENERGY



Source: Tenaz Management; Public filings; FactSet | 1 Baytex: 11/1/04-5/8/12; Vermilion: 5/16/12-5/22/20 |

Management Team Operating and Financial Record



Management team has achieved operational and financial improvement in intermediate-sized public companies in both North American and international settings



106,000 boe/d (56% oil) in 10 countries across North America, Europe and Australia

Organic cost reductions of:
F&D by 78% to \$7.60/boe
OPEX by 30% to ~\$9.00/boe
G&A by 64% to ~\$1.20/boe

Expanded global operations
by establishing operatorship
in 6 new countries

Innovative sustainability
projects utilizing oil and gas
infrastructure



56,000 boe/d (86% oil) producer with assets in Canada and US

Increased production by
63% from 2004-2012 while
paying \$1.2 billion in
dividends (~\$10/boe)

Used M&A to augment
organic growth, adding
15,000 boe/d net for
\$230MM

Industry leading multi-lateral
horizontal drilling, including a
world-record 73,000' MD
well with 20 laterals



180 mmcf/d subsidiary of Dominion Resources Inc. (US utility)

Achieved flat production,
reversing a multi-year
decline trend, while shifting
into FCF+ position

Reduced F&D cost by 26%
to \$0.97/mcfe

Divested BC assets for
\$470MM



Leduc-Woodbend Overview

- Semi-conventional oil project (87.5% working interest)
- YE2021 2P Reserves: 11.3 million boe
- Reserve report contains 47 (37.4 net) booked locations
- Existing infrastructure capable of accommodating growth

2022 Production and Drilling

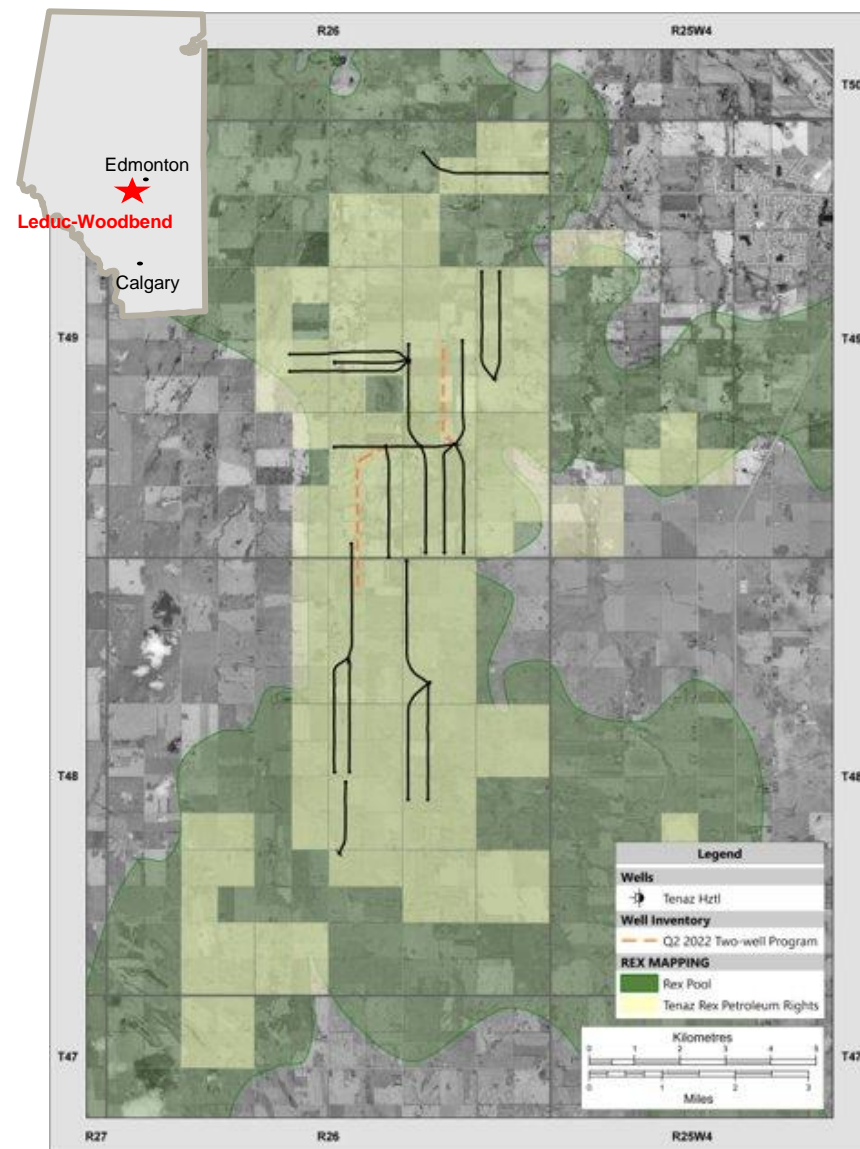
2022E Average Production	1,200 to 1,300 boe/d
2022E Production Growth (annual)	20-30%

Planned Development:

Drill and Complete	2 (1.8 net)
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1.5 Mile 2P Well Economics^(2,3)

WTI Price (\$/bbl)	<u>\$70</u>	<u>\$85</u>	<u>\$100</u>
IRR (%)	62	109	173
Payout (yrs)	1.5	1.0	0.7

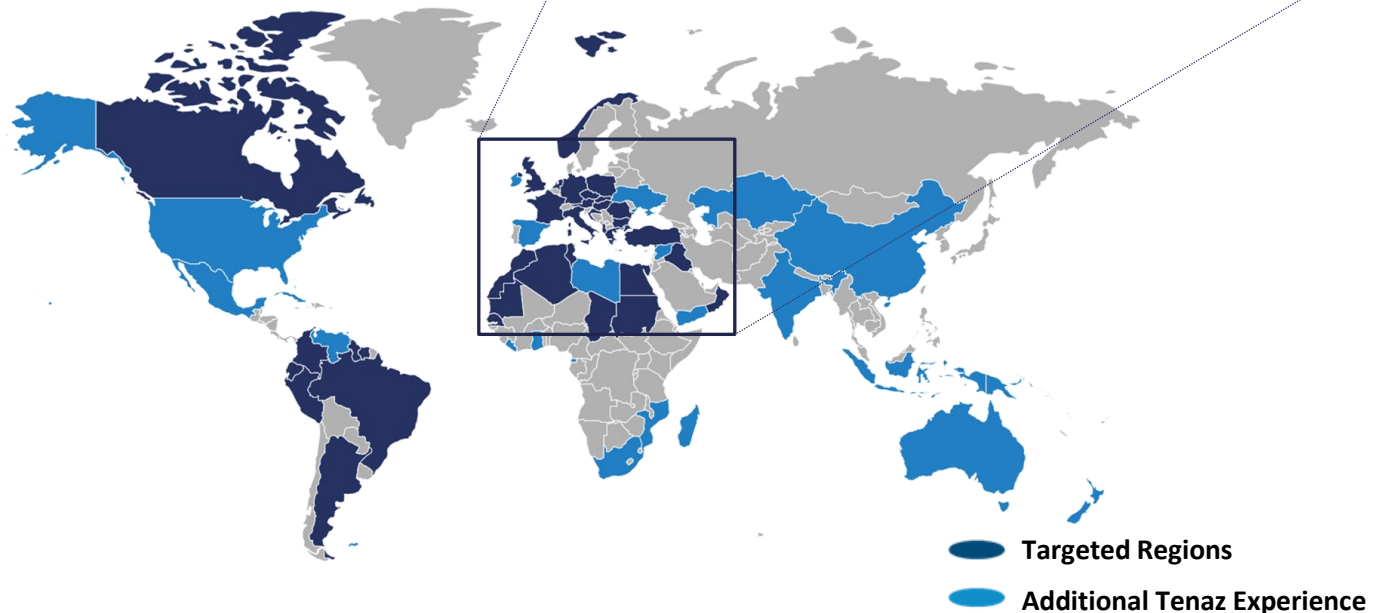




Vision & Strategy



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Cultural Approach

- Flat organizational structure
- Management with “skin-in-the-game”, incentivized to deliver for equity owners
- Technical focus and practical mindset in all areas, driving outperformance
- Proactive government relations and ESG/sustainability leadership

Operating Approach

- Regional business unit operating structure
- Integrate North American technical and management expertise with local staff
- Emphasize generation of project inventory while continually reducing unit costs
- Target and incentivize organic growth appropriate to asset base

Capital Markets Approach

- Acquire assets which will fund organic growth and/or meaningful dividend distributions
- Use financial leverage appropriately
- Manage commodity exposure via hedging
- Growth-and-income model to maximize public market value



1 Deep Value in International Market

Sizable market opportunity with international acquire-and-exploit strategy

- ✓ Attractive value at entry plus significant opportunity for operating improvement
- ✓ Targeted approach: focus on Europe-MENA-South America, with competence to assess other regions if high-return opportunities arise, including optionality for Canada

2 Experienced Management Team with Clear Acquisition Approach

Technically-focused, hands-on management team with record of value-adding A&D and follow-on operations

- ✓ Over \$6 billion of experience in closed transactions
- ✓ Team has history of successfully executing each element of our strategy

3 Highly Aligned Team Focused on Shareholder Returns

Tenaz team knows alignment is vital, and is committed to returning cash to owners

- ✓ Management investment in recapitalization transaction alongside foundation investors
- ✓ Demonstrated capability to execute growth-and-income model using international assets
- ✓ Experience in cash return model demonstrated by \$3.2 billion in cumulative dividends



READER ADVISORIES

Non-GAAP Measures

Management uses the term “capital expenditures” as a measure of capital investment in exploration and production activity, as well as property acquisitions and dispositions, and such spending is compared to the Company’s annual budgeted capital expenditures. The most directly comparable GAAP measure for capital expenditures is cash flow used in investing activities. A reconciliation of cash flow used in investing activities to capital expenditures can be found in the Company’s most recent MD&A available on SEDAR at www.sedar.com under the Tenaz Energy Corp. (“Tenaz”, “Company”) profile. The reported non-GAAP measures and their underlying calculations are not necessarily comparable or calculated in an identical manner to a similarly titled measure of other companies where similar terminology is used. Where these measures are used, they should be given careful consideration by the reader.

Information Regarding Disclosure on Oil and Gas Reserves

All reserves information in this press release relating to Tenaz was prepared by McDaniel and Associates Consultants Ltd., for Tenaz, effective December 31, 2021, in accordance with NI 51-101 and the COGE Handbook. The estimates of reserves for the Transaction may not reflect the same confidence level as estimates of reserves for all of Tenaz’s properties, due to the effects of aggregation. All reserve references in this press release are “gross reserves”. Gross reserves are a company’s total working interest reserves before the deduction of any royalties payable by such company and before the consideration of such company’s royalty interests.

Barrels of Oil Equivalent

The term barrels of oil equivalent (“boe”) may be misleading, particularly if used in isolation. Per boe amounts have been calculated by using the conversion ratio of six thousand cubic feet (6 Mcf) of natural gas to one barrel (1 bbl) of crude oil. The boe conversion ratio of 6 Mcf to 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalent of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

Forward-looking Information and Statements

This press release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “budget”, “forecast”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends”, “strategy” and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, in addition, statements related to “reserves” are deemed to be forward-looking information as they involve the implied assessment, based on certain estimates and assumptions, that the resources can be discovered and profitably produced in the future.

The forward-looking information and statements contained in this press release reflect several material factors and expectations and assumptions of the Company including, without limitation: the continued performance of the Company’s oil and gas properties in a manner consistent with its past experiences; that the Company will continue to conduct its operations in a manner consistent with past operations; the general continuance of current industry conditions; the continuance of existing (and in certain circumstances, the implementation of proposed) tax, royalty and regulatory regimes; the accuracy of the estimates of the Company’s reserves and resource volumes; certain commodity price and other cost assumptions; the continued availability of oilfield services; and the continued availability of adequate debt and equity financing and cash flow from operations to fund its planned expenditures. The Company believes the material factors, expectations and assumptions reflected in the forward-looking information and statements are reasonable, but no assurance can be given that these factors, expectations, and assumptions will prove to be correct.

The forward-looking information and statements included in this press release are not guarantees of future performance and should not be unduly relied upon. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements including, without limitation: the ability of management to execute its business plan; changes in commodity prices; changes in the demand for or supply of the Company’s products; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of the Company or by third party operators of the Company’s properties; increased debt levels or debt service requirements; inaccurate estimation of the Company’s oil and gas reserve volumes; limited, unfavorable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; and certain other risks detailed from time to time in the Company’s public documents.

The forward-looking information and statements contained in this press release speak only as of the date of this press release, and the Company does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable laws.

All dollar figures contained in this presentation are in CAD, unless otherwise stated.



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