



TSXV:TPC

**Tenth Avenue Petroleum Corp.**

**Q2 2023 Corporate Presentation**

# Forward Looking Statement

This Presentation contains forward-looking statements pertaining, but not limited to, management's assessment of future plans, operations and projections of the Corporation and the expected use of proceeds from the Offering. In particular, this Presentation contains forward-looking statements pertaining to matters related to the following, among others: timing for implementation and deployment of the Corporation's business plan; the value, risk, development potential, quantities and predicted recovery factors for the Corporation's reserves and resources; expected results of production; comparisons of recoverable resources to other oil projects; well optimization potential; and other statements which are not historical facts. In making these forward-looking statements, the Corporation has made assumptions regarding, among other things, the following: future capital expenditures; future commodity prices and production levels; the ability to obtain financing on acceptable terms; geological conditions relating to the Corporation's properties; the impact of regulatory changes; labor and equipment availability; supply and demand metrics for oil and natural gas; the likelihood of CO2 injection to proceed; the accuracy of a geological report not addressed to or paid for the Corporation; and general economic, business and market conditions.

Although the Corporation believes based on its experience and expertise that the expectations reflected in the forward-looking statements, and the assumptions on which such statements are made, are reasonable, there can be no assurance that such expectations and assumptions will prove to be correct. Prospective investors are cautioned not to place undue reliance on forward-looking statements included in this Presentation, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve numerous assumptions and known and unknown risks and uncertainties that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, 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 such forward-looking statements. These risks and uncertainties include, among other things, the following: the ability of management to execute its business plan; general economic and business conditions; the risks of the oil and natural gas industry; risks and uncertainties involving geology of oil and natural gas deposits; the uncertainty of reserves and resources estimates; uncertainty of estimates and projections relating to production (including decline rates), costs and expenses; fluctuations in oil and natural gas prices; the actions of third parties and the accuracy of geological reports and other third hand information available to the Corporation; and uncertainties as to the availability and cost of financing. Potential investors are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.

The forward-looking statements contained in this Presentation speak only as of the date of this Presentation. The Corporation does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The information contained in this Presentation does not purport to be all-inclusive or to contain all information that a prospective investor may require.

# Corporate Summary

## Overview

Tenth Avenue Petroleum Corp. (TSXV:TPC) is a Canadian-based Oil & Gas Company focused on growth through the exploitation of conventional oil & gas properties in Alberta. Led by a reputable executive management team with a proven track record of identifying, acquiring, developing and monetizing assets.

| Basic Shares Outstanding         |     | 39,944,100 |
|----------------------------------|-----|------------|
| Fully Diluted Shares Outstanding |     | 43,519,600 |
|                                  |     |            |
| Market Cap – \$0.17/share        | C\$ | 5,991,615  |
| Net Debt (surplus) – Q2/23       | C\$ | (67,978)   |
| Enterprise Value                 | C\$ | 5,923,637  |
| Cash flow from Operations        | C\$ | 51,449     |
| Insider Ownership                | %   | 22%        |

**+227%**

Growth Rate since recap.

**143** boe/d

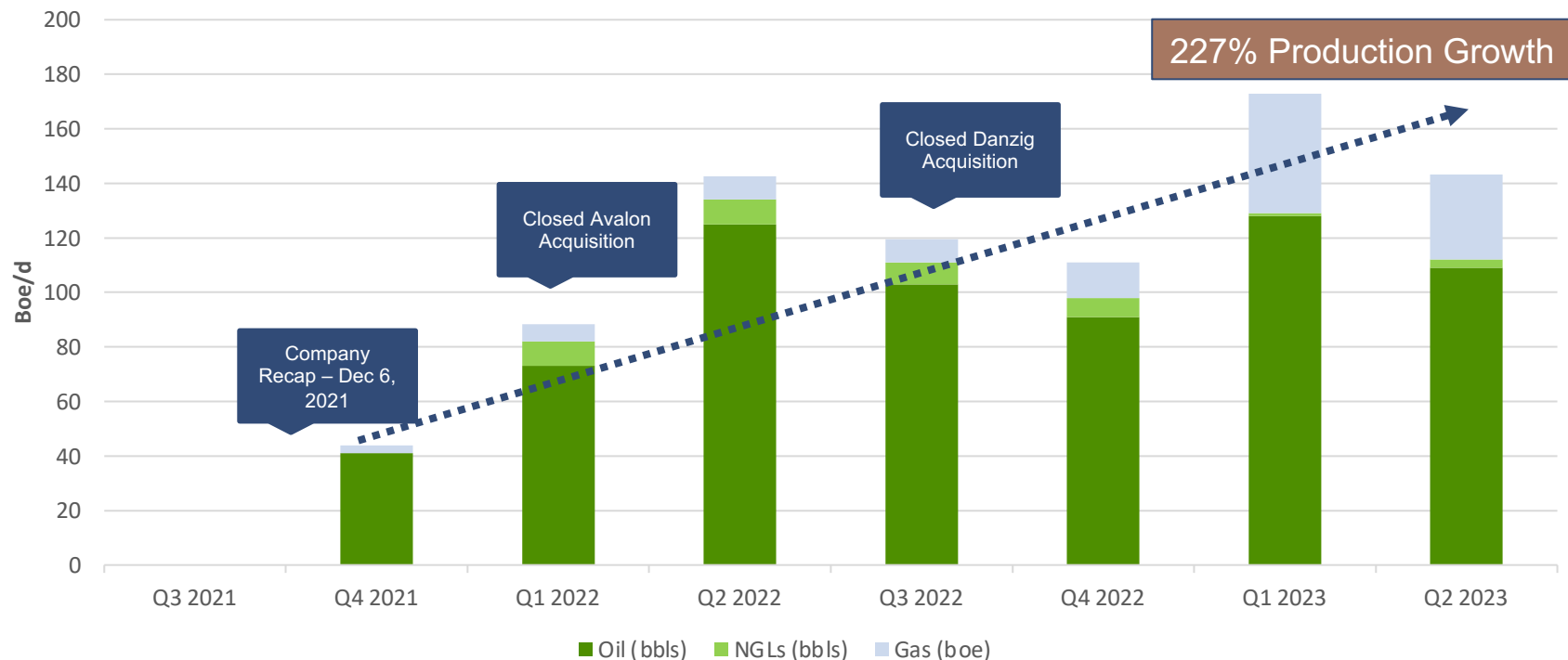
(78% Oil/NGLs)

**+\$22** mm (at Dec 31, 2022)

Tax pools

# Production Growth

Strong Base Production base with low decline characteristics



- Since recapitalizing the Company in Q4/21 management has grown production by an impressive 227%.
- Q2/23 Production volumes decreased by 17% to 143 boe/d from 173 boe/d in Q1/23 due to annual summer maintenance program plus 3.0 net well workovers at Murray Lake, Hays & Vulcan areas.
- Operating costs were also higher in Q2/23 given the seasonality of the annual Repairs & Maintenance (R&M) program, higher utilities cost, chemical & treating and trucking.
- A cost saving initiatives plan has been implemented targeted to reduce both fixed & variable operating expenses.
- The Company anticipates the R&M and capital activities carried out during Q2/23 will improve future production volumes going forward while reducing operating costs.
- Workover results: Murray Lake (1-1) & Vulcan (5-21) wells are responding positively with increased initial oil volumes have increased corporately to 180 boe/d (85% Oil and NGLs) based on August field estimates – highest in Company's history.

# Experienced and aligned team, projects, plan



## **Experience**

Proven Leadership team with a history of growing start up oil & gas companies from 0 - +20,000 boe/d



## **Track Record**

Over 100+ years of combined experience with a track record of identifying, acquiring, developing and monetizing oil & gas assets



## **Insider Ownership**

Management & Board have invested significantly – aligned with shareholder returns



## **Execution**

Scaling operations and executing our business plan & philosophy



## **Plan**

Strategically acquiring PDP reserves through M&A in depressed markets, while developing low-risk, low-cost organic opportunities

# Business Strategy & Philosophy



## The Challenge



**Continue to pursue growth and create sustainable long-term shareholder value through the following pillars:**

### Business Strategy

- Acquire predictable production through strategic acquisitions;
- Unlocking value through the development of stranded opportunities;
- Drive down operating cost to maximize operating margins;
- Deploy cash flows from acquired assets into organic growth opportunities;
- Stable economics and risk assessments will govern the deployment of capital;
- Capital Deployment Strategy: 70% Development, 20% Step-out/fringe Drilling and 10% Exploration;
- Expand land holdings in emerging plays through sound geology and geotechnical work.



### Corporate Philosophy

- To select and implement the best capital and investment opportunities;
- To leverage long standing industry relationships to drive M&A and future financing to scale;
- To preserve a solid balance sheet and capital structure;
- To pursue capital and operating efficiency;
- To manage risks;
- To leverage research and innovation;
- To apply the highest ethical principles of business conduct;
- To promote the sustainability of the business model.

# The Asset Overview

Strong production base with low decline characteristics generate superior rate of return



**Q2 production:** 143 boe/d (78% Oil and NGLs).



**Adj funds flow for the six months ending Q2/23 :** (\$13,712).



**Low decline, Liquids-weighted production base**

- › Low decline production base.
- › Year-round access in close proximity to major service centers.

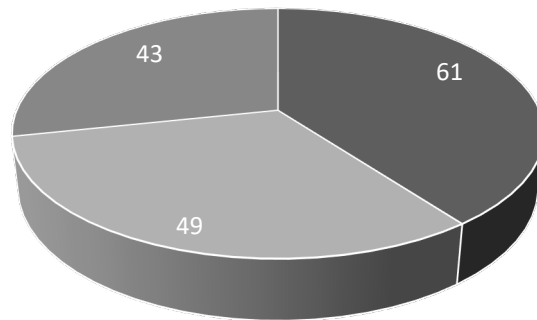


**Infrastructure allows for minimal spending with support for growth & sufficient area egress**



**Growth:** EOR program initiated at Murray Lake, increasing voidage ratio from 1:1 to 1:3. Volumes.

Q2/23 Production Summary by Area (boe/d)



■ Murray Lake/Hays ■ Vulcan/Parkland ■ Swan Hills

Area Map



**Swan Hills Unit #1.**  
Non-operated

**Vulcan**  
99% WI

**Murray Lake**  
99% WI

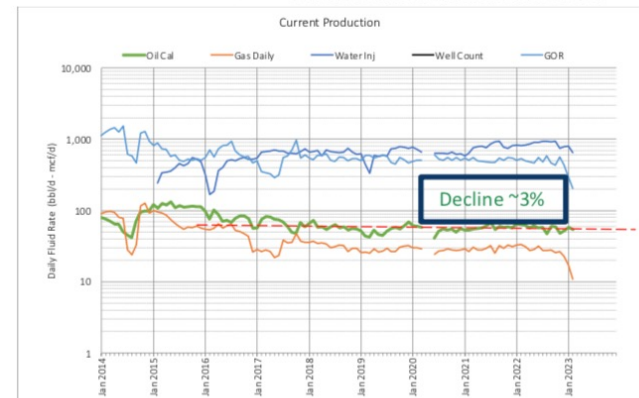
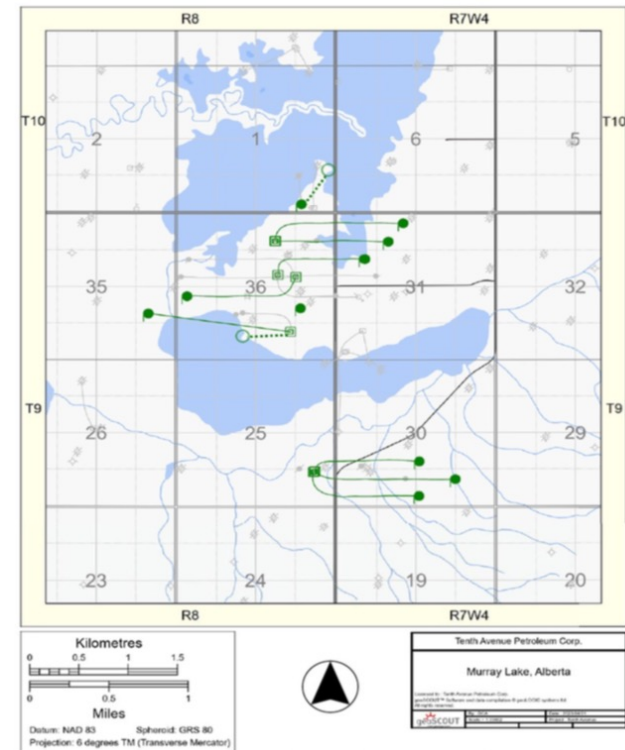
**Hays**  
97% WI



# Murray Lake, Alberta - Overview

## Building a strong operating platform

- 2,240 gross acres, 99% average working interest.
- 61 boe/d (100% Oil and NGLs) of production 16 API.
- EOR program demonstrating positive results.
- Pool declines at a reduced to ~3%, to extending the life of production, reserves and future cash flows.
- Working to lower operating costs, improving operating netbacks and margin.
- Owned Infrastructure = reduced cost + increased uptime.
- Testing new chemical solution to increase heavy oil mobility in reservoir.
- Cash flow & operating netback highly sensitive to WCS differentials.
- Completed 1.0 net workover (1-1 well) in Q2/23, pump, tubing & perf, which resulted increased in production.
- Targeting multiple vertical and horizontal zones within the Mannville group formations.





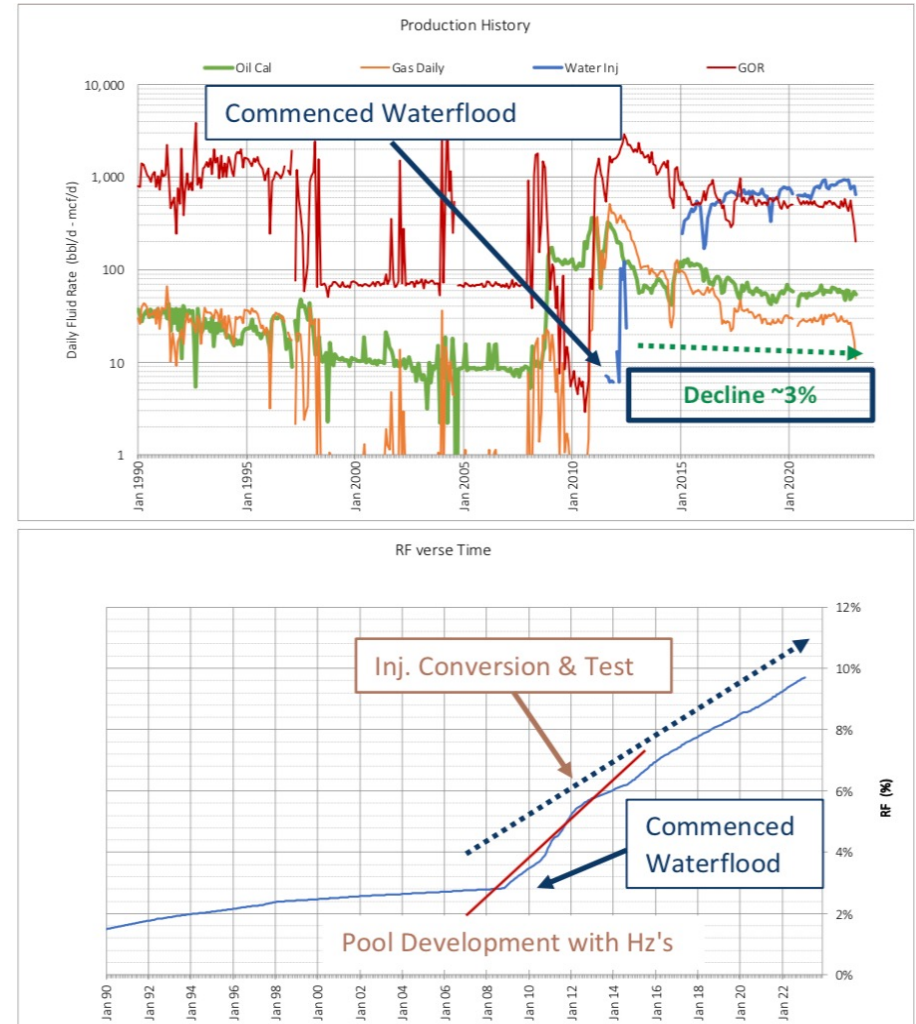
# Murray Lake – Waterflood pilot

## Waterflood extending the cash flow and significantly reducing declines

### Commentary

- OOIP of 8.8 MMboe from Lower Mannville A Sunburst Pool. To date only ~9.7% has been recovered (~855Mboe), similar analogue pools have recovered upward of 20-30% under waterflood.
- ~3% decline since commencing waterflood in 2008.
- Tight heavy oil waterflood project: Oil Producers: 9, Water Injectors: 4, Source Water: 1.
- Oil Recovery Factor (RF) increasing from waterflood extending the pool life and extending future cashflows.
- Net Pay (m): 2.5, Heavy oil: ~16 API, Oil viscosity: ~2,000 cP, Porosity: 20.0%, Sw: 48.0%.
- No attributed reserves or future cashflows attributed from the waterflood in our reserves – unbooked upside.
- 2.0 net infill drilling targets – additional drilling upside.
- Potential exists to improve existing well production and enhanced economics with new development techniques.

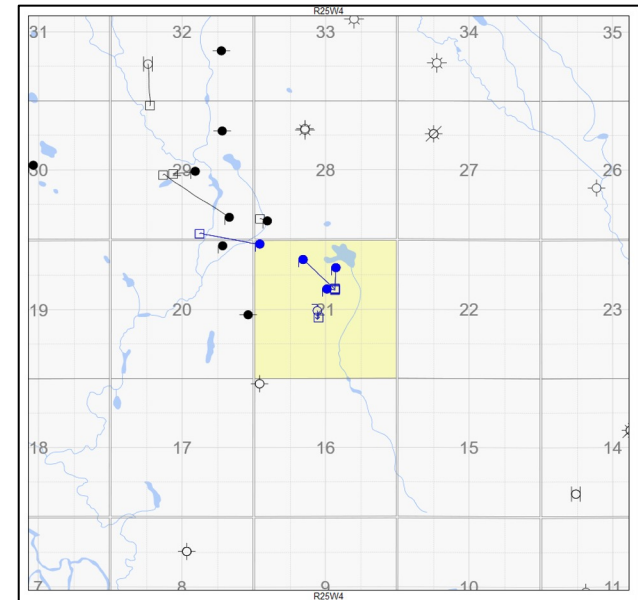
### Waterflood Pilot Results



# Vulcan, Alberta - Overview

## Building a strong light oil operating platform

- 640 gross acres, 100% average working interest.
- 49 boe/d of production (45% Oil/Liq), light oil.
- Completed the acquisition of Danzig Resources assets Sept 30, 2022.
- The asset boasts light oil, high netback, existing infrastructure plus Enhanced Oil Recovery (“EOR”) upside with waterflood to increase both future production and recovery factors.
- Cash flow & operating netback highly sensitive to WTI differentials.
- Successfully completed tie-in of a 2.3km pipeline and wellsite construction for 102/6-11 program.
- Re-entry of 102/6-11 gas well January 2023. IP30: 60 boe/d (51 net) - \$10,392/flowing boe.
- 102/6-11 well and the corresponding upper Bow Island booked as PDNP in YE reserves, with an additional 0.5 Bcf.
- Completed 1.0 net workover (5-21 well) in Q2/23, included a pump, tubing, acid and pump change, which resulted increased in production.
- Targeting multiple vertical and horizontal zones within the Mannville group formations.





# 3<sup>rd</sup> Party Processing Income & Facilities

⚙️ Generating additional income from 3<sup>rd</sup> party processing

Vulcan 05-21 main multi-well facility equipped to handle 3<sup>rd</sup> party processing

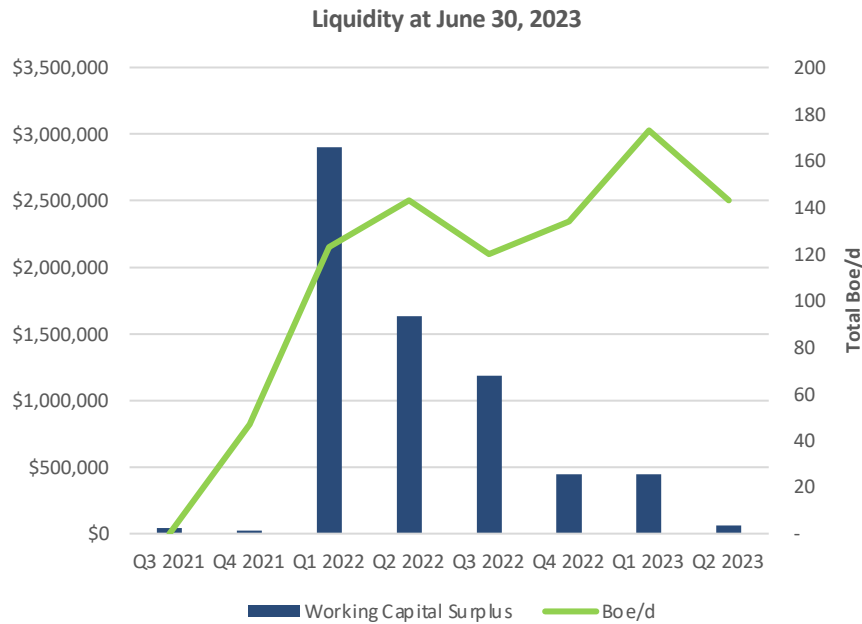


Murray Lake 7-36 main treating facility, consisting of separator, free water knockout, 5,000 bbls/d storage and water injection.

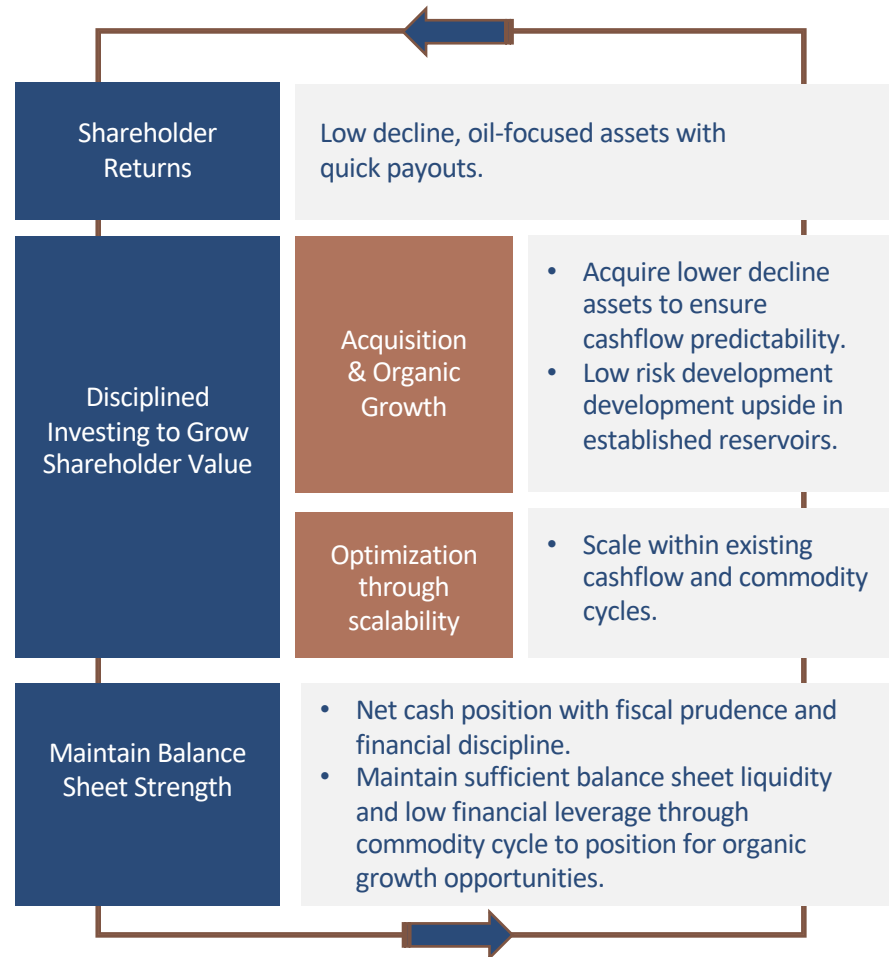


# Debt Free Balance Sheet underpins growth opportunities

Q2 Strong foundation to fund future acquisitions and growth with working capital surplus.



1) Non-GAAP or Non-IFRS financial measure, as applicable. Non-GAAP and other financial measures (including supplemental financial measures) do not have standardized meaning under IFRS and therefore may not be comparable to similar measurements presented by other companies.



# Executive Leadership – Board of Directors



**Cameron MacDonald**

**Chairman, President & CEO**

Mr. MacDonald brings over 15+ years of Capital Market public company experience as a founder and CEO of Macam Group of Companies specializing in Capital Markets, M&A, banking, financing management and operations to over +80 public and private companies. Mr. MacDonald is currently Chairman of Aurwest Resources Corp. (CSE:AWR), President & CEO Tendrel Group Inc., and serves as an investor and board member to several other business.



**Ron Hozjan, CFA**  
**Independent Director**

Mr. Hozjan bringing over 30 years of oil and gas experience, with experience as a senior financial officer, primarily with publicly traded companies. Mr. Hozjan is a CPA who has successfully grown several energy companies from start-up to mid-cap size. His strengths are in capital markets, finance and accounting, mergers and acquisitions, internal controls and all other facets of public company reporting.

Mr. Hozjan is currently the VP Finance & CFO Aureus Energy Services Inc., former VP Finance & CFO Tamarack Valley Energy Ltd. (TSX:TVE), Director of Nova Cannabis Inc. (TSX:NOVA), Director of Carbeeza Inc. (TSXV:AUTO), Director of Target Capital Inc. (NEX:TCL.H), Tendrel Group Inc. and another private board. Mr. Hozjan's strong communication skills are an asset both when interacting with shareholders, public markets and within the internal operations group.



**Scott Reeves**

**Director & Corporate Sec.**

Mr. Reeves is a partner with Tingle Merritt LLP, a practice focused on securities, corporate finance and commercial transactions for emerging and growth companies, joint ventures and partnerships. He has advised numerous private and public corporations (including registered dealers) in a wide range of business matters including access to capital markets, corporate governance and operational issues both nationally and internationally.



**Brian Prokop, P.Eng, CFA**  
**Independent Director**

Mr. Prokop brings over 40 years of diversified resource and capital markets experience, with senior operational expertise, and is currently the CEO, UDP, AR & CCO at Link Plan Management Inc. as a licensed Portfolio Manager. Mr. Prokop is presently CEO & President of Electrum Copper Corp., a Director with Tendrel Group Inc., a private Cannabis business in Canada, Director of Aurwest Resources Corp. (CSE:AWR), Director of Rock Oil Resources Ltd.,

Mr. Prokop served as Chief Executive Officer of Argent Energy Trust, Vice President, Capital Markets of Daylight Energy Ltd, Director, and held a senior role in Institutional Equity Sales at National Bank Financial, served as Vice President, Oil and Gas Specialist, Equity Sales at Canaccord Capital Corporation and was a Senior Oil and Gas Analyst at Peters & Co. In addition, Mr. Prokop held various technical and financial roles at Talisman Energy and Shell Canada.

Mr. Prokop is a Professional Engineer (Geological, Earth Sciences) and graduated from the University of Manitoba (1983) and received his MBA, Finance from the University of Calgary (1991) and holds a Chartered Financial Analyst designation.

# Executive Leadership - Management



**Neil Wilson, P.Eng.**

## Operations

Mr. Wilson brings over +26 years experience comprised of acquisition and divestitures, deal negotiation and structuring, development/exploration economic evaluation, corporate budgeting and forecasting, leadership of multidisciplinary teams, corporate reserves management, oil/water/gas facility design, well workovers and artificial lift design, miscible flood and waterflood optimization, oil/gas well optimization. Mr. Wilson has held various senior positions as V.P. Engineering & COO Toro Oil & Gas Ltd., V.P. Power Play Resources Ltd., V.P. Engineering/Exploitation, Resolute Energy/Cordero Energy Inc., Exploitation Engineer Rio Alto Exploration, CNRL, Enerplus and PanCanadian/Encana.

Experience has included working on properties in Western Canada, Columbia and New Zealand from Devonian reservoirs at greater than 4000m to shallow CBM development.

**Sonja Kuehnle, CPA, CFA**

## VP Finance & CFO

Mrs. Kuehnle is a Chartered Professional Accountant and Chartered Accountant, with over 15 years' experience in the energy, forestry, and accounting sectors. As well as working in the Calgary offices of the international accounting firm KPMG LLP, she served in several finance and accounting positions within Western Canada's oil and gas industry.

Most recently, Mrs. Kuehnle worked as Chief Financial Officer for Calgary based Eguana Technologies Inc., a global, energy management technology company, providing residential and small commercial solar and storage solutions..



**Martin Malek, P.Eng., B.Sc.**

## Consultant

Mr. Malek brings over 15+ years of oil & gas operational, engineering, development and exploration experience. Mr. Malek worked in a variety of senior executive roles from 2014 to 2022 with Tamarack Valley Energy Ltd (TSX:TVE) as Manager - Development Engineering, VP Engineering, VP Business Development and petroleum engineering. Previously held various roles with Apache Corporation (NYSE: APA) from 2007 till 2014.

Mr. Malek graduated from University of Calgary with a Bachelor of Science (B.Sc), Chemical Engineering.

Meet the rest of our executive leadership team [here](#) or visit our website at <https://tenthavenuepetroleum.com/about>





## Health & Safety

- Deliver secure, safe working environment for all employees, contractors and the community.
- Committed to rapid and thorough incident response.



## Governance & Board Oversight

- High level of engagement & oversight.
- Comprehensive & diverse knowledgebase and experience in O&G management.



## Environment, spills, water use & land use

Environmental program based on prevention, minimization, and transparency. Committed to meeting and/or exceeding federal & provincial regulations across all aspects of our operations.



## Emissions

- Quantify, monitor and track/report GHG emissions.
- Committed to controlling and minimizing GHG emissions and identifying opportunities for further emission reductions across operated assets.



## Social Engagement & Culture

- Promote corporate culture of accountability and inclusivity.
- Create and maintain positive impact in the communities in which we operate through engagement, given back and job creation.



# Capitalization – Corporate Profile

## Current Capitalization

|                                  |          |
|----------------------------------|----------|
| Share Price – as of Aug 25, 2023 | \$0.15   |
| Basic shares outstanding         | 39.9M    |
| Options (average exercise price) | 3.5M     |
| Warrants                         | -        |
| Market capitalization (basic)    | \$5.9M   |
| Current net debt (surplus)       | (\$0.07) |
| Enterprise value (basic)         | \$5.9M   |

## Illustrative Proforma Forecast <sup>1,2</sup>

|   |             |
|---|-------------|
| Q2 2023 production (78% Oil and NGLs)       | 143 boe/d   |
| Q2 2023 Cash flow from operating activities | \$51,449    |
| Per share – basic                           | \$0.00      |
| Q2 2023 Adj funds flow                      | (\$120,205) |
| Per share – basic                           | (\$0.00)    |

1. Cashflow and adjusted funds flow calculated using WTI C\$86.43, NGLs \$51.54 and C\$2.38/mcf realized pricing.
2. Capital Management Measures; See “Non-IFRS Financial Measures, Non-IFRS Financial Ratios and Capital Management Measures” Section in the MD&A

## Strong Insider Ownership



### Strong Alignment

Insiders have continued to show support in all aspects of the business, including participation in all financings, since inception.

### Investment

Management, Board and Insiders own ~22% of the current shares outstanding.

# Contact Information

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Auditors:

Crowe & McKay LLP

Reserves:

Trimble Engineering Associates Ltd.

Legal:

Tingle Merrett LLP

Corporate Year End:

Dec 31

Listed Stock Exchange:

TSXV:TPC



# Abbreviations

AECO: physical storage and trading hub for natural gas on the TransCanada Alberta transmission system which is the delivery point for various benchmark Alberta index prices

bcf: billion cubic feet

bbl or bbls: barrels or barrels

bbl/d: barrels per day

boe/d: barrels of oil equivalent

boe: barrels of oil equivalent per day

Btu: British thermal units

Btu/scf: British thermal units per standard cubic foot Canadian dollars

CAGR: compound annual growth rate

C2: ethane

C3: propane

C4: butane

C5+: pentanes plus

D&C: drilling and completion

EUR: estimated ultimate recovery

ft: feet

FX: foreign exchange rate

GJ: gigajoules

HH: Henry Hub

Hz: horizontal

IP 30: initial production for the first 30 days

IP 60: initial production for the first 90 days

IP 180: initial production for the first 180 days

IP 270: initial production for the first 270 days

IP 365: Initial production for the first 365 days

km: kilometres

kpa: Kilopascals

m: metres

MMbbl: thousand barrels

Mboe: thousands of barrels of oil equivalent

Mcf: thousand cubic feet

Mcf/d: thousand cubic feet per day

McfGE: thousand cubic feet of gas equivalent

MM: million

MMbbl: Millions of barrels

MMboe: million barrels of oil equivalent

MMboe/d: millions of barrels of oil equivalent per day

MMbtu: millions British thermal units

MMbtu/d: million British thermal units per day

MMcf: million cubic feet

MMcf/d: million cubic feet per day

OPEX: operating expense

Pros. Res: gross unrisks prospective resources (best estimate)

PSI: pounds per square inch

USD or US\$: United States dollars

WI: working interest

WTI: West Texas Intermediate

1P: gross total proved reserves

2P: gross total proved plus probable reserves

3P: gross unrisks contingent resources (best estimate) \$MM or MM\$: millions of dollars